

(4) The extent to which your projects will integrate environmental justice concerns and provide demonstrable benefits for affected communities and their residents. The BEDI program is intended to promote the clean up and redevelopment of brownfields sites.

(5) The extent to which your proposed project addresses your Analysis of Impediments and the needs identified in Rating Factor 2; the extent to which such project activities will result in the physical and economic improvement for the residents in the neighborhood in which your project will be carried out; the extent to which you will offer residents an opportunity to relocate to environmentally healthy housing or neighborhoods; or the extent to which residents will benefit from the funded project to enable them to continue to live in a redeveloped or revitalized neighborhood and thus share in the anticipated economic benefits and environmental improvements your project is expected to generate.

(6) The extent to which your project incorporates one or more elements that facilitate a successful transition of welfare recipients from welfare to work. Such an element could include, for example, linking your proposed project or loan fund to social and/or other services needed to enable welfare recipients to successfully secure and carry out full-time jobs in the private sector; provision of job training to welfare recipients who might be hired by businesses financed through the proposal; and/or incentives for businesses financed with BEDI/section 108 funds to hire and train welfare recipients.

(7) Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application submitted by the City of Dallas, Texas, HUD's consideration of the response to this factor, "Soundness of Approach" will include the extent to which Dallas' plan for BEDI funds and Section 108 loans will speed eradication of the vestiges of racial segregation in the Dallas Housing Authority's programs consistent with the Court's order. Up to two (2) additional points will be awarded to any application submitted by the City of Dallas, Texas, to the extent this subfactor is addressed.

#### **Rating Factor 4: Leveraging Resources/Financial Need (35 Points)**

[Page limits for the response to this factor are listed separately for each subfactor under this factor.]

In evaluating this factor, HUD will consider the extent to which your response demonstrates the financial need and feasibility of your project and

the leverage ratio of Section 108 loan proceeds to BEDI grant funds. This factor has three subfactors, each with its own maximum point total:

(1) **Leverage of Section 108 funds (20 points).** [Your response to this subfactor is limited to one (1) page.] The minimum ratio of Section 108 funds to BEDI funds in any project may not be less than 1:1. The extent to which your proposed project leverages an amount of Section 108 funds beyond the 1:1 ratio will be considered a positive factor. If you have a ratio of 1:1, your application will not receive any points under this subfactor. If you use your BEDI grant to leverage more new Section 108 commitments, your application will receive more points under this subfactor.

(2) **Financial feasibility (10 points).** [Your response to this subfactor is limited to three (3) pages.] HUD will consider the extent to which you demonstrate that your project is financially feasible. In responding to this subfactor, you must clearly address the question of why the BEDI funds are critical to the success of your project. This may include factors such as:

(a) Project costs and financial requirements. You should provide a funding sources and uses statement (not included in the 3 page narrative limit), as well as justifications for project costs.

(b) The amount of any debt service or operating reserve accounts you will establish in connection with your economic development project.

(c) The reasonableness of the costs of any credit enhancement you pay with BEDI grant funds.

(d) The amount of program income (if any) you will receive each year during the repayment period for the guaranteed loan.

(e) Interest rates on those loans to third parties (other than subrecipients) (either as an absolute rate or as a plus/minus spread to the Section 108 rate).

(f) Underwriting criteria that you will use in determining project feasibility.

(3) **Leverage of other financial resources (5 points).** [Your response to this subfactor is limited to one (1) page plus supporting documentation evidencing third party commitment (written and signed) of funds.] HUD will evaluate the extent to which you leverage other funds (public or private) with BEDI grant funds and section 108 guaranteed loan funds, and the extent to which such other funds are firmly pledged to the project. This could include the use of CDBG funds, other Federal or state grants or loans, your general funds, project equity or commercial financing provided by private sources or funds from non-

profits or other sources. Funds will be considered pledged to your project if there is evidence of the third party's written commitment to make the funds available for the BEDI/108 project, subject to approval of the BEDI and Section 108 assistance and completion of any environmental clearance required under 24 CFR part 58 for the project. Note that with respect to CDBG funds, your pledge of your CDBG funds will be considered sufficient commitment.

#### **Rating Factor 5: Comprehensiveness and Coordination (10 Points)**

[Your response to this factor is limited to two (2) pages.]

This factor addresses the extent to which you have coordinated your activities with other known organizations; you participate or promote participation in your or a State's Consolidated Planning process; and you are working towards addressing a need in a comprehensive manner through linkages with other activities in the community.

In evaluating this factor, HUD will consider the extent to which you demonstrate you have:

(1) Coordinated your proposed activities with those of other groups or organizations before submitting your application, in order to best complement, support and coordinate all known activities; and developed specific steps to share information on solutions and outcomes with others. Describe any written agreements or memoranda of understanding in place, or that will be in place after award.

(2) Developed linkages, or specific steps to develop linkages with other activities, programs or projects (through meetings, information networks, planning processes or other mechanisms to coordinate your activities), so that solutions are holistic and comprehensive. Describe any linkages with other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan, as well as established linkages and outreach with residents of your project area.

(3) Coordinated your efforts with other Federal, State or locally supported activities, including EPA's various Brownfields initiatives, and those proposed or on-going in the community.

#### **VI. Application Submission Requirements**

(A) Public entities seeking BEDI assistance must make a specific request for that assistance, in accordance with the requirements of this program section of this SuperNOFA.

(B) You must submit an original and one copy of the items listed below to HUD Headquarters (see the section "Addresses For Submitting Applications in this program section of this SuperNOFA). In addition, you must submit one additional copy directly to the Community Planning and Development Division of the appropriate HUD Field Office for your jurisdiction.

(C) Your BEDI application consists of the items listed in this Section VI(C). These items include the standard forms, certifications, and assurances listed in Section II(G) of the **General Section** of the SuperNOFA that are applicable to this funding (collectively, referred to as the "standard forms"). Additional application items that are forms (i.e., excluding such items as narratives or letters, etc.), referred to as the "non-standard forms" can be found in Appendix A to the EDI program section of the SuperNOFA (which immediately precedes this BEDI program section).

(1) *Transmittal Letter* signed by the authorized representative of your organization indicating that you are submitting your application for funding under the Economic Development Initiative Program and you are requesting funding consideration for an EDI project.

(2) *Checklist and Submission Table of Contents* indicating the page numbers where the submission items can be found in your application (form HUD-40076-EDI/BEDI).

(3) *Section 108 Funding Eligibility Statement*. A completed EDI/BEDI Section 108 Funding Eligibility Statement (form HUD-40076-EDI/BEDI).

(4) *Request for Loan Guarantee Assistance*. A request for loan guarantee assistance under Section 108, as further described in Section IV(C) of this program section of the SuperNOFA. Full application guidelines for the Section 108 program are found at 24 CFR 570.704.

(5) *Narrative Response to Factors for Award*:

(a) **Rating Factor 1: Capacity and Relevant Organizational Experience.** Provide a narrative indicating your capacity and the relevant capacity of your organization and staff to perform the work for which you are requesting funding.

(b) **Rating Factor 2: Need Statement** Identifying the level of Distress/Extent of the Problem. Provide a narrative statement including any documentation supporting your statement of need. You may also use optional form HUD-40076-EDI/BEDI as a format to respond to this factor for award.

(c) **Rating Factor 3: Soundness of Approach.** Include your activities, budget and time frame for conducting activities in your response (see form HUD-40076-EDI/BEDI).

(d) **Rating Factor 4: Leveraging Resources/Financial Need.** Your response should include a completed copy of form HUD-40076-EDI/BEDI, "Rating Factor 4: Leveraging Resources/Financial Need Sources and Uses Statement."

(e) **Rating Factor 5: Comprehensiveness and Coordination.** Provide a narrative response to this factor.

(D) A single application must contain a request for funds for a single BEDI/108 project. You may submit more than one application for each additional unrelated BEDI/108 project. Each application will be rated and ranked individually. In no event will HUD rate and rank more than one BEDI project per application.

(E) Your application must meet all of the applicable threshold requirements of Section II(B) of the **General Section** of this SuperNOFA.

## VII. Corrections to Deficient Applications

The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications.

## VIII. Environmental Requirements

(A) *Environmental Review.* After the completion of this competition and after HUD's award of BEDI grant funds, pursuant to 24 CFR 570.604, each

project or activity assisted under this program is subject to the provisions of 24 CFR part 58, including limitations on the EDI grant and Section 108 public entity's commitment of HUD and non-HUD funds prior to the completion of environmental review, notification and release of funds. HUD will not release such assistance until you submit a request for release of funds and you satisfy the requirements of 24 CFR part 58. All public entities, including nonentitlement public entities, must submit the request for release of funds and related certification, pursuant to 24 CFR part 58, to the appropriate HUD field office for each project to be assisted.

(B) *Environmental Justice.* (1) Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations directs Federal agencies to develop strategies to address environmental justice. Environmental justice seeks to rectify the disproportionately high burden of environmental pollution that is often borne by low-income, minority, and other disadvantaged communities, and to ensure community involvement in policies and programs addressing this issue.

(2) Brownfields are often located in distressed neighborhoods, contribute to neighborhood blight, and lower the quality of social, economic, and environmental health of communities. The BEDI program is intended to promote the clean up and redevelopment of brownfields sites and, to this end, HUD expects that projects presented for BEDI funding will integrate environmental justice concerns and provide demonstrable benefits for affected communities and their residents.

## IX. Authority

Section 108(q), Title I, Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301-5320); 24 CFR part 570.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

---

**SELF-HELP HOMEOWNERSHIP  
PROGRAM (SHOP)**



## FUNDING AVAILABILITY FOR SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM (SHOP)

### Program Overview

**Purpose of the Program.** To facilitate and encourage innovative homeownership opportunities through self-help housing where the homebuyer contributes a significant amount of sweat-equity toward the construction of the new dwelling.

**Available Funds.** Approximately \$20 million.

**Eligible Applicants.** You must be a nonprofit national or regional organization or consortium.

**Application Deadline.** April 25, 2000.

**Match.** None.

### Additional Information

If you are interested in applying for funding under this program, please review carefully the **General Section** of this SuperNOFA and the following additional information:

#### I. Application Due Date, Standard Forms, Further Information, and Technical Assistance

**Application Due Date.** Applications for SHOP grants must be physically received by HUD on or before 12:00 midnight, Eastern time on April 25, 2000.

See the **General Section** of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

**Address for Submitting Applications.** Submit one original and two copies of the application to Department of Housing and Urban Development, Office of Community Planning and Development, Processing and Control Unit, 451 Seventh Street, SW, Room 7251, Washington, DC 20410, ATTN: Self-Help Homeownership Opportunity Program.

**For Application Forms.** Copies of the standard forms are located in the **General Section** of this SuperNOFA or you may request copies by calling HUD's SuperNOFA Information Center at: 1-800-HUD-8929. If you have a hearing or speech impairment, please call the Center's TTY number at 1-800-HUD-2209. When requesting application forms, you should refer to SHOP and provide your name and address (including zip code) and telephone number (including area code). You may also access the application on the Internet through HUD's web site at [www.hud.gov](http://www.hud.gov).

**Further Information.** You may contact Lou Thompson, Office of Affordable

Housing Programs, Department of Housing and Urban Development, Room 7168, 451 Seventh Street, SW, Washington, DC 20410; telephone (202) 708-2684, ext. 4594 (this is not a toll-free number). This number can be accessed via TTY by calling the Federal Information Relay Service Operator at 1-800-877-8339.

**Satellite Broadcast.** HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

#### II. Amount Allocated

The amount available for this program is approximately \$20,000,000

#### III. Program Description; Eligible Applicants; Eligible Activities

(A) **Program Description.** SHOP is intended to facilitate and encourage innovative homeownership opportunities on a national geographically-diverse basis through self-help housing where the homebuyer contributes a significant amount of sweat-equity toward the construction or rehabilitation of the dwelling.

Decent, safe, and sanitary non-luxury dwellings developed under SHOP must be made available to eligible homebuyers at prices below the prevailing market prices. Eligible homebuyers are low-income families (families whose annual incomes do not exceed 80 percent of the median income for the area, as established by HUD) who are unable to purchase a dwelling. Housing assisted under this Notice must involve community participation through the use of homebuyers and/or volunteers in the construction of dwellings and by other activities which involve the community in the project.

(B) **Eligible Applicants.** You must be a nonprofit national or regional organization or consortium that has the capacity and experience to provide or facilitate self-help housing homeownership opportunities. Local affiliates of national or regional organizations or consortia must apply as part of the national or regional organization or consortia and may not apply for SHOP independently. "Regional" is defined for the purpose of this program section of the SuperNOFA to be a "regional area" such as the Southwest or Northeast which must include at least two or more States (the States need not be contiguous and the operational boundaries of the organization need not precisely conform to State boundaries). If you are a

consortium, one organization must be chosen as the lead entity. The lead entity must submit the application and, if selected for funding, will execute the grant agreement and assume primary responsibility for carrying out grant activities in compliance with all program requirements. Other participants in your consortium must be identified in your application.

Your application may not propose a partnership with or funding for any affiliate or consortium member which is also included in another SHOP application. You must assure that any affiliate, consortium member, or potential subrecipient under your FY 2000 application is not also seeking funding from another SHOP applicant for FY 2000 funds.

(C) **Eligible Activities.** The only eligible activities are land acquisition (including financing and closing costs), infrastructure improvement (installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure, including removal of environmental hazards), and administration, planning and management development [as defined] under the HOME Investment Partnerships Program (24 CFR part 92.207) and not to exceed 20 percent of any SHOP grant. Costs associated with the rehabilitation, improvement, or construction of dwellings are *not eligible* uses of program funds.

#### IV. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, you are subject to the following SHOP requirements:

(A) **Statutory Requirements.** You must comply with all statutory requirements applicable to SHOP as cited in Section IX of this program section below. There are no regulations for this program. You must be capable of:

(1) Developing, through significant amounts of sweat-equity and volunteer labor, at least 30 dwellings at an average cost of no more than \$10,000 per unit in SHOP funds;

(2) Using your grant to leverage other sources of funding, including private or other public funds;

(3) Developing quality dwellings that comply with local building and safety codes and standards and which will be available to homebuyers at prices below the prevailing market price; and

(4) Scheduling activities to expend all grant funds awarded and substantially fulfill your construction obligations under your grant agreement within 24 months after grant funds are first made available to you.

(B) *Economic Opportunities for Low- and Very Low-Income Persons (Section 3)*. If you fund infrastructure improvements under this program, you are required to comply with section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low- and Very Low-Income Persons) and the HUD regulations at 24 CFR part 135, including the reporting requirements subpart E. Section 3 requires that you provide training, employment and other economic opportunities, to the greatest extent feasible, to: (1) low- and very low-income persons, particularly those who are recipients of government assistance for housing and (2) business concerns which provide economic opportunities to low- and very low-income persons.

#### V. Application Selection Process

(A) *Rating*. HUD will review all applications in accordance with the Application Selection Process in the **General Section** of this SuperNOFA. HUD will review all applications based on the threshold factors listed in Section V(C) of this program section below. Applications which meet all threshold requirements will be rated according to the selection factors in this section of the SuperNOFA. Applications which do not meet all threshold factors will be rejected and not rated.

(B) *Ranking and Selection Procedures*. Applications that receive a total rating of 60 points or more (without the addition of EC/EZ bonus points) will be eligible for selection, and HUD will place them in rank order. After adding any bonus points for EC/EZ, HUD will select these applications based on rank order, up to and including the last application that can be funded, up to amount of funding available.

HUD reserves the right to fund less than the full amount requested in any application to ensure a fair distribution of the funds and that dwellings will be developed on a national geographically-diverse basis as required by the statute. HUD will not fund any portion of an application that is ineligible for funding under program statutory requirements, or which does not meet the requirements of the **General Section** of this SuperNOFA or the requirements in the SHOP section of the SuperNOFA. HUD will not fund any eligible applicant for less than the minimum amount necessary to complete at least 30 homes (at a maximum of \$10,000 per home or a lesser amount if lower costs are reflected in the application). If funds remain after all selections have been made, these funds may be available for other competitions.

(C) *Threshold Requirements*. The following threshold requirements apply specifically to SHOP. You must also be sure to address the threshold requirements listed in the **General Section** of the SuperNOFA and must submit all forms, certifications, and assurances identified in the **General Section**.

(1) You, the applicant, must be eligible to apply under SHOP (see Section III(B) of this program section of the SuperNOFA).

(2) The amount of funding you request must support no less than 30 self-help units and may not exceed an average amount of \$10,000 per unit.

(3) The population you plan to serve must be eligible under SHOP (see Section III(A) of this program section of the SuperNOFA).

(4) You must demonstrate that you have completed at least 30 self-help homeownership units within a national or regional area (where the homebuyers contributed a significant amount of sweat-equity and/or volunteer labor toward the construction of the dwellings) within the 24-month period preceding the publication of this SuperNOFA.

#### *Submission Threshold Requirements:*

(1) Evidence of your non-profit status, such as a copy of a current Internal Revenue Service ruling that your organization is exempt from taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986. Where an IRS ruling is unavailable, you may submit a certified copy of your approved charter, articles of incorporation or bylaws demonstrating that you are established as a nonprofit organization under state law. If you are a consortium, each participant in your consortium must be a nonprofit organization, but only the lead entity should submit evidence of its nonprofit status. However, the lead entity must maintain a copy of the above-described documentation for each participant in your consortium.

Submission threshold requirements (2) through (4) require no additional submissions. These requirements are addressed under the submission requirements for the rating factors listed in Section V(D) of this program section of the SuperNOFA below.

(D) *Factors for Award Used to Evaluate Applications*. HUD will rate all SHOP applications that successfully complete technical processing using the Rating Factors and the Application Submission Requirements described below. The maximum number of points for this program is 102. This includes two EZ/EC bonus points, as described in the **General Section** of the SuperNOFA.

#### **Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (20 Points)**

This factor examines the extent to which you, as a single applicant or as a consortium (including sub-recipients and/or members of the consortium, if any), have the experience and organizational resources necessary to carry out the proposed activities in a timely manner.

In evaluating this factor, HUD will consider your recent and relevant experience in carrying out the activities you propose, and your administrative ability, and fiscal management ability. HUD may also rely on information from performance reports, financial status information, monitoring reports, audit reports and other information available to HUD in making its determination under this factor. If you are not a current recipient of HUD funds, you may submit evidence of internal or external performance reports or other information which will assist HUD in making this determination.

#### *Submission Requirements for Rating Factor 1.*

(1) You must describe your past experience in carrying out activities that are the same as, or similar to, the activities you propose for funding, and demonstrate reasonable success in carrying out those activities. You may demonstrate such reasonable success by showing that your previous activities were carried out as proposed and in a timely manner. You must show that established benchmarks were met and performance reports were prepared, as required. You must also describe any delays that were encountered, and the actions you took to overcome such delays to successfully complete your program.

(2) You must demonstrate that you have completed at least 30 self-help homeownership units within a national or regional area (where the homebuyers contributed sweat-equity and/or volunteer labor toward the construction of the dwellings) within the 24-month period preceding the publication of this SuperNOFA.

(3) You must provide a description of your management structure. You must also describe how you will staff and manage your proposed activities.

(4) You must demonstrate your ability to handle financial resources with adequate financial control and accounting procedures. Your existing financial control procedures must meet 24 CFR 84.21, "Standards for Financial Management Systems." You must provide a copy of your most recent audit (only an audit of the lead entity must be

provided with an application for a consortium).

(5) You must demonstrate your experience and ability in constructing and altering homes with accessibility features, when necessary.

#### **Rating Factor 2: Need/Extent of the Problem (15 Points)**

This factor examines the extent to which you identify the community need, or problem, or distress that your proposed activities will target, and the urgency of meeting that need.

The purpose of this factor is to make sure that funding is provided where a need for funding exists. Under this factor, you must identify the need or needs in the community that your proposed activities are designed to address or, if you plan to select specific subrecipients only after you receive SHOP funding, you must demonstrate how you plan to identify need prior to your selection of any subrecipients.

##### *Submission Requirements for Rating Factor 2.*

(1) Identify the communities or areas in which your proposed activities will be carried out or how you will select communities or projects based on need after you have received an award under SHOP.

(2) Depending on the type of activities proposed, the kind of information you submit to demonstrate the need or needs in the target area may include, but is not limited to, one or more of the following:

- (a) Housing market data such as information included in the local Five Year Comprehensive Plan or other data sources;
- (b) Data dealing with such factors as housing density, housing affordability, housing age or deterioration, and lack of adequate infrastructure or utilities;
- (c) Data on the need for accessible homes in the area;
- (d) Evidence of housing discrimination;
- (e) Evidence from the local Analysis of Impediments to Fair Housing Choice which shows the need for this program.

#### **Rating Factor 3: Soundness of Approach (40 Points)**

This factor examines the quality of your plan of proposed activities. In evaluating this factor HUD will consider:

(1) The specificity in your plan; your established benchmarks for performance; your schedule for expending funds and completing construction; your proposed budget and the cost effectiveness of your program; and your plans to reach all potentially-eligible homebuyers, including those with disabilities or least likely to apply.

(2) How your planned activities further one or more of the policy priorities of the Department. Departmental policy priorities are:

- (i) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for all segments of the population regardless of race, color, religion, national origin, sex, familial status and disability;
- (ii) Promoting healthy homes;
- (iii) Providing opportunities for self-sufficiency, particularly for persons enrolled in Welfare to Work programs;
- (iv) Providing educational and job training opportunities through such initiatives as Neighborhood Networks, and linking programs to AmeriCorps activities; and
- (v) Enhancing on-going efforts to eliminate drugs and crime from neighborhoods through program policy efforts such as "One Strike and You're Out" or the "Officer Next Door" initiative.

(3) Your SHOP strategy to employ the President's Partnership for Advancing Technology in Housing (PATH) technologies to improve the affordability, durability, energy efficiency, environmental protection, disaster resistance and safety of housing. HUD will consider how your planned activities exceed prevailing national building practices by: reducing costs of housing; improving durability and reducing maintenance costs; increasing safety and disaster resistance; and reducing energy consumption and environmental impact. For additional information, PATH's web address is <http://www.pathnet.org>.

##### *Submission Requirements for Factor 3.*

(1) Identify all activities you propose to fund with SHOP.

(2) Provide a timetable for the selection of your participating local affiliates or partners, if they are not specified in the application.

(3) Submit a construction and completion schedule which expends SHOP funds within 24 months and demonstrates that remaining housing construction will be completed within a reasonable period of time.

(4) List the benchmarks against which HUD is to measure your performance progress in expending funds, completing activities, and substantially fulfilling the obligations of SHOP.

(5) Describe how your proposed activities address the need or needs you have identified under Rating Factor 2, above.

(6) List the long-and short-term benefits from your activities to the community and targeted groups within

the community, and describe how you will ascertain and measure the benefits.

(7) Provide a detailed budget with a break-out for each proposed task and each budget category (acquisition, infrastructure improvements, and administration) in the SF-424A.

(8) Demonstrate that projected costs for the proposed activities do not deviate substantially from the norm in the locale in which your activities will take place, will not exceed an average cost of \$10,000 per home in SHOP funds, and your ability to carry out your proposed activities cost effectively.

(9) Describe how the policy priorities of the Department are furthered and PATH technologies are addressed by your proposed activities.

(10) Describe how you will reach potential homebuyers through the use of services and materials that are accessible or visitable to all persons, including persons with disabilities (e.g., languages, formats, locations, distribution, use of minority media to attract those least likely to apply).

(11) Describe how activities will benefit eligible homebuyers and your selection factors for participating homebuyers.

(12) Describe how your proposed activities will yield long-term results and innovative strategies or "best practices" that can be readily disseminated to other organizations, communities, and/or State and local governments.

(13) Describe how your program will provide reasonable accommodations for persons with a variety of disabilities by providing "sweat equity" assignments which can be performed by the client regardless of disability; accessible housing regardless of the nature of the disability of its intended residents; and "visitable" housing for all clients.

#### **Rating Factor 4: Leveraging Resources (15 Points)**

This factor addresses your ability to secure other resources that can be combined with HUD's program resources to achieve the purposes of SHOP. HUD will consider the extent to which you document firm commitments of resources in the form of cash funding, in-kind contributions, or personnel from Federal, State, local, and private sources, who are jointly referred to as your leverage partners. HUD will also consider the extent that the applicant's proposed sweat-equity requirements and other leveraged resources will serve to reduce costs to the homebuyers.

##### *Submission Requirements for Factor 4.*

(1) Provide a list of amounts and sources of all firm commitments of cash

funding, in-kind contributions, or personnel from other Federal, State, local, and private sources which will be available to complete your project. Together with the grant funds, these commitments must be sufficient to develop not less than 30 units.

(2) Provide copies of written evidence to support your list of firm commitments from the source of the commitment. There must be a written agreement to provide the resources. The written agreement may be contingent upon you receiving a grant award.

(3) Provide a description of the individual sweat-equity requirements of your program and how this contribution of labor will serve to reduce the costs of the home to the homebuyer. Reasonable accommodation must be allowed for persons with a variety of disabilities to participate in your program.

#### **Rating Factor 5: Comprehensiveness and Coordination (10 Points)**

This factor addresses the extent to which your application reflects a coordinated, comprehensive approach to identifying community needs and addressing them on an ongoing basis. In evaluating this factor, HUD will consider:

(1) The extent to which you demonstrate the support and participation of the community's residents, organizations, businesses, and government in the design and implementation of the proposed activities.

(2) The specific steps you will take to share information on solutions, outcomes, and best practices resulting from the activities, if funded.

(3) The specific steps you have taken or will take to coordinate, through meetings, information networks, planning processes, or other mechanisms, your activities with other proposed or on-going activities in the community funded by Federal, State, local, or private sources.

#### **Submission Requirements for Factor 5.**

(1) Describe what role residents, community leaders and organizations, and government and private entities in the targeted community have had, or will have, in planning the activities described in your application and what

role they will have in carrying out such activities.

(2) Describe how you will share with others information on solutions and outcomes resulting from the activities, if funded.

(3) Describe the specific steps you have taken or will take to become active in the community's Consolidated Plan and Analysis of Impediments to Fair Housing Choice process; or the community's Indian Housing Plan process; and to address, through these processes, the needs that are the focus of the proposed activities.

(4) Describe the specific steps you have taken, or will take, to coordinate your activities with other proposed or on-going activities in the community funded by Federal, State, local, or private sources (through meetings, information networks, planning processes, or other mechanisms).

#### **VI. Application Requirements and Checklist for Application Submission**

Your application consists of the items listed in this Section VI. The standard forms, certifications, and assurances that are applicable to this funding (collectively, referred to as the "standard forms") can be found in Appendix B to the **General Section** of the SuperNOFA.

\_\_\_\_ Standard Form 424, Application for Federal Assistance (signed by the authorized representative organization eligible to receive funds)

\_\_\_\_ Evidence of Non-Profit status  
\_\_\_\_ Narrative Statement Addressing:

\_\_\_\_ Factor 1—Capacity of the Applicant and Relevant Organizational Staff, including recent audit.

\_\_\_\_ Factor 2—Need/Extent of the Problem

\_\_\_\_ Factor 3—Soundness of Approach

\_\_\_\_ Factor 4—Leveraging Resources

\_\_\_\_ Factor 5—Comprehensiveness and Coordination

\_\_\_\_ Forms, Certifications and Assurances:

\_\_\_\_ SF 424A, Budget Information, Non-Construction Programs

\_\_\_\_ SF 424B, Assurances—Non-Construction Programs

\_\_\_\_ SF 424M, Federal Assistance Funding Matrix

\_\_\_\_ HUD-50070, Certification for a Drug-Free Workplace

\_\_\_\_ HUD-50071, Certification of Payment to Influence Federal Transactions

\_\_\_\_ SF-LLL, Disclosure of Lobbying Activity, as applicable

\_\_\_\_ HUD-2880, Applicant/Recipient Disclosure/Update Report

\_\_\_\_ HUD-2990, Certification of Consistency with the EZ/EC Strategic Plan

\_\_\_\_ HUD-2992, Certification Regarding Debarment and Suspension

\_\_\_\_ HUD-2993, Acknowledgement of Application Receipt

#### **VII. Corrections to Deficient Applications**

The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications.

#### **VIII. Environmental Requirements**

The provisions contained in Section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, Environmental Review, implemented in the Environmental Review regulations at 24 CFR part 58, are applicable to properties assisted with SHOP funds. All SHOP assistance is subject to the National Environmental Policy Act of 1969 and related federal environmental authorities. SHOP grant applicants are cautioned that no federal or non-federal funds or assistance which limits reasonable choices or could produce a significant adverse environmental impact may be committed to a project until all required environmental reviews and notifications have been completed by a unit of general local government, tribe or State and until HUD approves a recipient's request for release of funds under the environmental provisions contained in 24 CFR part 58.

#### **IX. Authority**

The funding made available under this program section of the SuperNOFA is authorized by section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) (the "Extension Act").

BILLING CODE 4210-32-P



**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

---

**YOUTHBUILD**



## FUNDING AVAILABILITY FOR THE YOUTHBUILD PROGRAM

### PROGRAM OVERVIEW

**Purpose of the Program.** The purpose of the Youthbuild program is to assist disadvantaged young adults in completing their high school education, and provide them with construction and the training on worksite for housing designated for homeless persons and low- and very low income families, leadership skills to further opportunities for their gainful employment.

**Available Funds.** Approximately \$40,000,000 is available for the Youthbuild Program.

**Eligible Applicants.** Eligible applicants are public or private nonprofit agencies, State or local housing agencies or authorities, State or local units of general local government, or any entity eligible to provide education and employment training under other Federal employment training programs, as further defined in HUD's regulation at 24 CFR 585.4.

**Application Deadline.** June 6, 2000.  
**Match.** None.

### Additional Information

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and the following additional information.

#### I. Application Due Date, Application Kits, Further Information, and Technical Assistance

**Application Due Date.** Your completed application (one original and two copies) is due on or before 12:00 midnight, Eastern time, on June 6, 2000.

See the **General Section** of this SuperNOFA for specific procedures that you must follow for the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

**Addresses for Submitting**

**Applications. To HUD Headquarters.** Your completed application consists of an original signed application and two copies. Submit the original application and one copy, by hand or mail delivery, to: Processing and Control Branch, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7255, Washington, DC 20410, Attention: Youthbuild Grant.

**To the Appropriate CPD Field Office.** Submit the second copy of your application to the Community Planning and Development Division of the appropriate HUD Field Office for your jurisdiction. A hand carried application will be accepted at the specified HUD

Field Office during normal business hours before the application due date. On the application due date, business hours will be extended to 6:00 p.m. local time. Please be sure to arrive at the HUD Field Office with adequate time to submit the application before the 6:00 pm deadline by the application due date.

**For Application Kits.** For an application kit and any supplemental material please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. An application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to Youthbuild and provide your name, address (including zip code), and telephone number (including area code).

**For Further Information.** You may contact Phyllis Williams, Office of Economic Development and Empowerment Service in the Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7140, Washington, DC 20410, telephone (202) 708-2035. Persons with speech or hearing impairments may call HUD's TTY number (202) 708-0770, or 1-800-877-8399 (the Federal Information Relay Service TTY). Other than the "800" number, these numbers are not toll-free.

**For Technical Assistance.** Write or call Peter Twichell, YouthBuild USA, 58 Day Street, Somerville, MA 02144, telephone (617) 623-9900, ext. 1211, under contract with HUD to provide technical assistance in developing your application.

#### II. Amount Allocated

Approximately \$40,000,000 is available for the Youthbuild Program. The net available program funds will be divided between two categories of grants as described in Section III(C) of this program section of the SuperNOFA:

1. \$4,800,000—Grants for new applicants for up to \$300,000; and
2. \$35,200,000—Grants for up to \$700,000.

#### III. Program Description; Eligible Applicants; and Eligible Activities

(A) **Program Description.** The purposes of the Youthbuild Program are:

- (1) To provide economically-disadvantaged young adults with opportunities to obtain an educational experience that will enhance their employment skills, as a means to achieving self-sufficiency;

(2) To foster the development of leadership skills and commitment to community;

(3) To expand the supply of permanent affordable housing for homeless and low- and very low-income persons by providing implementation grants for carrying out a Youthbuild program.

(4) To provide disadvantaged young adults with meaningful on-site training experiences in housing construction and rehabilitation to enable them to render a service to their communities by helping to meet the housing needs of homeless persons and low-income families;

(5) To give, to the greatest extent feasible, job training, employment, contracting and other economic opportunities to low-income persons.

(B) **Eligible Activities.** (1) Work and activities associated with the acquisition, rehabilitation or construction of the housing, as defined in HUD's regulations at 24 CFR 585.309, 585.310, and 585.311.

(2) Relocation payments and other assistance required to comply with HUD's regulation at 24 CFR 585.308;

(3) Costs of ongoing training and technical assistance needs related to carrying out a Youthbuild program;

(4) Education, job training, counseling, employment, leadership development services and optional activities that meet the needs of the participants including entrepreneurial training, drivers' education, internships, programs for those with learning disabilities, and in-house staff training.

(5) Outreach to potential participants;

(6) Wages, benefits, and need-based stipends for participants; and Administrative costs—Youthbuild funds for these costs should not exceed 15 percent of the total amount of Youthbuild assistance, unless a higher amount is justified to support capacity development by a private nonprofit organization.

Please refer to HUD's regulation at 24 CFR 585.305 for further details on eligible activities.

#### IV. Program Requirements

In addition to the program requirements listed in the **General Section** of this SuperNOFA, as an applicant you must comply with the following requirements:

(A) **Eligible Participants.** Participants in a Youthbuild program must be very low-income high school dropouts between the ages of 16 and 24, inclusive, at the time of enrollment. Up to 25 percent of participants may be above very low-income or high school graduates (or equivalent), but must have

educational needs that justify their participation in the program.

(B) *Locational Limitations.* You may submit more than one application in the current competition if your program's participant recruitment and housing areas are in different jurisdictions. Each application you submit may only propose activities to carry out one Youthbuild program, i.e., to start a new Youthbuild program or to fund new classes of Youthbuild participants for an existing program.

(C) *Youthbuild Program Components.* Youthbuild programs that receive assistance under this Youthbuild Program section of the SuperNOFA must contain the three components described in paragraphs (1), (2), and (3) below of this Section IV(C).

(1) Educational and job training services.

(2) Leadership training, counseling, and other support activities.

(3) On-site training through actual housing rehabilitation and/or new construction work, including the provision of alternative training experiences that are necessary as a reasonable accommodation for students with disabilities. Your application must contain a letter from the property owner management company(ies) allowing access to the housing site(s) for on-site construction training. Each program must be structured so that 50 percent of each participant's time is spent in on-site training and the other 50 percent in educational training.

(D) *Classroom Limitation.* If you are a first time applicant and apply under the Category 1 Grant described in Section V(C) below of this program section, you should have a graduating class of not more than 20 students.

(E) *Desirable Elements of a Youthbuild Program.* You should document the extent to which HUD's policy priorities are furthered by the proposed activities. As referenced in the **General Section** of the SuperNOFA, such policy priority areas are:

(1) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for minorities and persons with disabilities;

(2) Promoting healthy homes;

(3) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs;

(4) Providing educational and job training opportunities and linking programs to Americorps activities; and

(5) Promoting welfare reform. Refer to HUD's regulation at 24 CFR 585.3 for a detailed description of program components.

## V. Application Selection Process

You, the applicant, must meet all of the applicable threshold requirements of Section II(B) of the **General Section** of the SuperNOFA. HUD will review each application and assign points in accordance with the selection factors described in this section. The maximum number of points is 102 (except for an application submitted by the City of Dallas, Texas, which would be eligible for a maximum of 104 points, in accordance with paragraph (3) of Rating Factor 3 below). This maximum includes two Empowerment Zone/Enterprise Community (EZ/EC) bonus points as described in the **General Section** of the SuperNOFA.

(A) *Rating and Ranking.* HUD will rate each eligible application based upon the rating factors described in Section V of this Youthbuild Program section of the SuperNOFA. Using the scores assigned, HUD will place the application in rank order within each category. HUD will select applications for funding in accordance with their rank order. To be eligible for funding, an application must have a score of 50 points for Rating Factors 1, 2, and 3.

If two or more applications are rated fundable, and have the same score, but there are insufficient funds to fund all of them, HUD will select the application(s) with the highest score for Rating Factor 3(1) under Soundness of Approach. If two or more applicants still have the same score, the highest score in the following factors will be selected sequentially until one highest score can be determined: Rating Factor 1 (Capacity and Experience), Rating Factor 4 (Leveraging of Resources), Rating Factor 2 (Need).

(C) *Categories of Grants.* HUD will make grants in two categories:

(1) *Category 1 Grants.* Grants for new applicants that have not previously received Youthbuild Implementation Grants and that have elected not to apply under Category 2 Grants, below. Applicants in Category 1 Grants will receive approximately twelve percent of the funds available. These grants will be limited to \$300,000, for a period of 18 months.

(2) *Category 2 Grants.* HUD will award half the funding in this category (44% of the total funding) to applicants proposing grant(s) of \$400,000 or less and which do not exceed 24 months. The other half of the funding for this category will be awarded to applicants proposing grants over \$400,000 and activities for up to 30 months. HUD will not fund grants over \$700,000.

(D) *Grant Period.* You should expend funds awarded within 30 months of the

effective date of the grant agreement, or such other period specified.

(E) *Maximum Awards.* Under the competition established by this Youthbuild Program section of the SuperNOFA, the maximum award for a Youthbuild grant is \$700,000. HUD reserves the right to determine the maximum or minimum of any Youthbuild award per application, project, or budget line item. HUD will not make amendments to awards under this competition that will increase previously approved grant amounts. To ensure reasonable geographic diversity, HUD will not give a CDBG entitlement jurisdiction more than \$2.1 million in Youthbuild grants under this competition.

(F) *Potential Environmental Disqualification.* HUD reserves the right to disqualify an application where one or more environmental thresholds are exceeded if HUD determines that it cannot conduct the environmental review and satisfactorily complete the review within the HUD application review period. (See 24 CFR 585.307.) Environmental thresholds are explained in Appendix A of this program section of this SuperNOFA. Complete form 2C13a, 2C13b, or 2C13c and form 2C15 only if you are proposing to use Youthbuild funds for new housing construction or rehabilitation.

(G) *Notification of Approval or Disapproval.* HUD will notify you whether or not you have been selected for an award. If you are selected, HUD's notice to you of the amount of the grant award based on the approved application will constitute HUD's preliminary approval, subject to execution of the grant agreement by HUD.

(H) *Factors for Award Used to Evaluate and Rate Applications.*

### Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (30 Points)

(Provide a Narrative of No More Than 10 Pages)

This factor addresses the qualification and experience of you the applicant and participating parties to implement a successful young adult education and training program within six months of execution of the grant agreement. HUD will review and evaluate the information provided documenting capability. In assigning points for this criterion, HUD will consider evidence in your application that demonstrates the following:

(1) Experience in implementing and operating a comprehensive, integrated,

multidisciplinary program with the following components:

(a) Young adult education and training programs, including programs for low-income persons from economically distressed neighborhoods.

(b) Young adult leadership development training and related activities for young adults.

(c) Young adult on-site training in housing construction or rehabilitation for the production of sound and affordable housing for homeless persons and low-income families.

(2) The extent to which you or participating parties have been successful in past education, training, and employment programs and activities, including Federally-funded Youthbuild programs. If you have received a Youthbuild grant, you must submit copies of your last two progress reports or, if applicable, a closeout report. In applying the rating criteria, HUD will take into consideration your performance (including meeting target dates and schedules) as reported.

(3) The extent to which you, including your program director, principal staff, or participating parties have demonstrated past ability to leverage other resources to cover administrative, educational, and training costs.

(4) The extent to which you demonstrate that your proposed Staff and Program Manager possess the background, experience, and capacity to conduct the proposed project, as evidenced by recent work experience in managing projects of the same or similar size, dollar amount, and types of activities as those proposed in the application.

#### **Rating Factor 2: Need/Extent of the Problem (15 Points)**

*(Provide a Narrative of No More Than 2 Pages)*

This factor addresses the extent to which there is a need for funding—your proposed program activities and an indication of the urgency of meeting the need in the target area. Documentation of need should address the extent to which you document a critical level of need for the proposed activities in the area where activities will be implemented. The documentation must apply to the targeted area rather than the entire locality. If the target area is an entire locality or State, then documenting need at this level is appropriate.

Your documentation of need should demonstrate the extent and urgency of the problem the proposed activities address. To the extent that you

community's Consolidated Plan or Analysis of Impediments to Fair Housing Choice (AI) identifies the level of the problem and the urgency in meeting the need, you should include references to these documents in your response. HUD will review more favorably those applicants that use these documents to identify need. If you have no Consolidated Plan, points will not be taken against you. Examples of data you might use to demonstrate need include, but are not limited to, economic and demographic data relevant to the target area, including poverty and unemployment rates; levels of homelessness; extent of drug usage and crime statistics; lead poisoning rates; housing market data available from HUD Reports or other data sources including the Public Housing Authorities' Five Year Comprehensive Plan, State or local Welfare Department's Welfare Reform Plan (including, where applicable, the Welfare to Work Plan Addendum); and/or lack of other Federal, State, or local funding that could be or are used to address the problem HUD program funds are designed to address. If the proposed activity is not covered under the scope of the Consolidated Plan and AI, you should indicate such, and use other official data sources to identify the level of need and the urgency in meeting the need. Types of other sources include, but are not limited to, Census reports, Continuum of Care gaps analysis, law enforcement agency crime reports, Public Housing Authorities' Five Year Comprehensive Plan, HUD's Consolidated Plan for your jurisdiction, state or county agency reports or studies, etc.

#### **Rating Factor 3: Soundness of Approach (40 Points)**

*(Provide a Narrative of No More Than 15 Pages and Complete Exhibit 4A)*

(1) (30 points) HUD will consider the overall quality and feasibility of your proposed statement of work as measured by the specific activities and tasks that meet; the overall objectives of—your Youthbuild program and the intent of this announcement of funding availability; whether the proposed program activities will be accomplished within the projected time frame; whether the proposed program activities are comprehensive and integrated; and the potential for success of the proposed program. Areas HUD will consider in evaluating the overall quality of the proposed program are:

(a) Outreach, recruitment and selection activities including:

(i) Specific steps you will take to attract potential eligible participants who are unlikely to be aware of this program (because of race, ethnicity, sex or disability) and selection strategies;

(ii) Special outreach efforts you will make to recruit eligible young women, young women with dependent children, and persons receiving public assistance; and

(iii) Recruitment arrangements you have made with public agencies, courts, homeless shelters, local school systems, local workforce development systems, community-based organizations, etc.

(b) Educational and job training services and activities including:

(i) The types of in-class academic and vocational instruction you will provide;

(ii) The number and qualifications of program instructors and ratio of instructors to participants;

(iii) Scheduling plan for classroom and on-the-job training needed to meet program requirements and ensure timely completion of your program;

(iv) Reasonable payments of participants' wages, stipends, and incentives.

(c) Leadership development, including the leadership development training you will offer to participants, and strategies for providing the training to build group cohesion and peer support.

(d) Support services. You must document counseling and referral services to be offered to participants, the type of counseling, social services, and/or need-based stipends you will provide. To receive higher points, support services must be documented by letter of commitment from providers.

(e) On-site training, including:

(i) The housing construction or rehabilitation activities participants will undertake at the site(s) to be used for the on-site training component of the program;

(ii) The qualification and number of on-site supervisors;

(iii) The ratio of trainers to students;

(iv) The number of students per site; and

(v) The amounts, wages, and/or stipends you will pay to participants during on-site work.

(f) Job placement assistance, including your commitments, strategies, and procedures for:

(i) Participant placement in related employment, enrollment in postsecondary education programs, job development, starting business enterprises, or other opportunities leading to economic independence; and

(ii) Follow-up assistance and support activities to program graduates.

(2) **(10 points)** HUD will assign Housing Program Priority Points to all

applications that contain evidence that housing resources from other Federal, State, local, or private sources that are available and firmly committed to cover all costs, in full, for the following housing activities for the proposed Youthbuild program: acquisition, architectural and engineering fees, construction, and rehabilitation. It also is imperative that your proposed housing sites provide quality training. Applications that do not include proper documentation of firm financial commitments of non-Youthbuild resources or propose to use Youthbuild grant funds, in whole or in part, or do not evidence site control, for any one of the housing activities listed above will not be entitled to housing program priority points. HUD will not use housing resources in evaluating the Leveraging Resources factor. Forms 2C, Housing Site Description, and 2C10, Youthbuild Grant Individual Housing Project Site Estimate, must be completed to receive the Housing Priority points.

(3) HUD will award up to two (2) additional points to any application submitted by the City of Dallas, Texas, to the extent this subfactor is addressed. Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application submitted by the City of Dallas, Texas, HUD will consider the extent to which the application's proposed activities will eradicate the vestiges of racial segregation in the Dallas Housing Authority's programs consistent with the Court's order.

#### **Rating Factor 4: Leveraging Resources (10 Points)**

*(Exhibit 4B Non-Housing Program Resources Must Be Completed and You Must Provide Letters of Firm Commitment From the Donor With the Amount of Cash or In-Kind Contribution)*

This factor addresses the extent to which firm commitment of resources are obtained from Federal, State, local, and private and nonprofit sources other than from you the applicant. In assigning points for this criterion, HUD will consider the level of non-housing resources obtained for cash or in-kind contributions to cover the following kinds of areas:

- (1) Social services (i.e., counseling and training);
- (2) Use of existing vocational, adult, and bilingual educational courses;
- (3) Donation of labor, resource personnel, supplies, teaching materials, classroom, and/or meeting space;
- (4) Other commitments.

In rating this element, HUD will consider only those contributions for which current firm commitments have been provided. HUD will evaluate the level of non-housing resources proposed based on their importance to the total program. Leveraging will only be counted if you have documented proof. Letters of commitment should include the dollar amount and be signed by the donors.

*Resources from other Federal, State, Local or Private Entities.* You should use existing housing and homeless assistance programs administered by HUD or other Federal, State, local, or private and nonprofit housing programs as part of your Youthbuild Program. In addition, you should use other non-Youthbuild funds available for vocational, adult, and bilingual education programs or for job training under the Job Training Partnership Act and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The selection process described in this Youthbuild Program section of the SuperNOFA provides for applicants to receive points where grant applications contain firm commitments from Federal, State, local, or private sources to provide resources to carry out Youthbuild activities.

#### **Rating Factor 5: Comprehensiveness and Coordination (5 Points)**

*(Provide a Narrative of No More Than 2 Pages and Complete Exhibit 5B)*

This factor addresses the extent to which your program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor, HUD will consider the extent to which you demonstrate that you have:

- (1) Coordinated your proposed activities with those of other groups or organizations in order to best complement, support, and coordinate all known activities, and the specific steps you will take to share information on solutions and outcomes with others. You should describe any written agreements, memoranda of understanding in place, or those that will be in place after award.
- (2) Taken or will take specific steps to become active in the community's Consolidated Planning process (including the Analysis of Impediments to Fair Housing Choice) established to identify and address a need/problem that is related to the activities you propose.

(3) Taken or will take specific steps to develop linkages to coordinate comprehensive solutions through meetings, information networks, planning processes, or other mechanisms with:

- (a) Other HUD funded projects/activities outside the scope of those covered by the Consolidated Plan; and
- (b) Other activities funded by HUD, Federal, State, or local sources, including those proposed or on-going in the community(s) served.

#### **VI. Application Submission Requirements**

(A) *Site Access Submission Requirements.* You must submit a schedule for the program, budgets, identification of specific housing sites, and firm evidence of site access.

(1) Guidance on evidence of site access:

(i) If the applicant or joint applicant have a contract or option to purchase the property, you should provide a statement to that effect and include a copy of the contract or option;

(ii) If a third party owns the property or has a contract or option to purchase, that third party must provide a letter to you stating the nature of the ownership and specifically providing you with access to the property for the purposes of the program and the time frame in which the property will be available. In the case of a contract or option, include a copy of the document; and

(iii) You must provide the required certification that the proposed activities are consistent with the HUD-approved Consolidated Plan in accordance with 24 CFR part 91 and referenced in Section II(G)(7) of the **General Section** of the SuperNOFA.

(B) *Application Items.* Your application must contain the items listed in this Section VII(B). These items include the standard forms, certifications, and assurances listed in the **General Section** of the SuperNOFA that are applicable to this funding (collectively, referred to as the "standard forms"). The standard forms can be found in Appendix B to the **General Section** of the SuperNOFA. The remaining application items that are forms (i.e., excluding such items as narratives, letters), referred to as the "non-standard forms" can be found as Appendix B to this program section of the SuperNOFA. The items are as follows:

(1) SF-424, Application for Federal Assistance.

(2) HUD-424M, Federal Assistance Funding Matrix.

(3) SF-424A, Budget Information for Non-Construction Programs.

(4) SF-424B, Assurances for Construction Programs.

(5) SF-424C, Budget Information for Construction Programs.

(6) HUD-50070, Certification of Drug-Free Workplace.

(7) HUD-2880, Applicant/Recipient Disclosure/Update Form.

(8) HUD-50071, Certification of Payments to Influence Certain Federal Transactions.

(9) SF-LLL, Disclosure of Lobbying Activities (if applicable).

(10) HUD-2992, Certification Regarding Debarment and Suspension.

(11) Letters from property owners allowing access to the housing site for construction training.

(12) Submission of 501(c)(3) status and/or letter certifying non-profit status if the applicant is a public non-profit organization.

(13) Narrative Response to Factors for Award.

Factor 1—Capacity

Factor 2—Need

Factor 3—Soundness of Approach, including completed Youthbuild Grant Budget (Exhibit 4A), Housing Site Description (Exhibit 2C), Youthbuild Grant Individual Housing Site Estimate (Exhibit 2C10), Documentation Necessary To Complete Environmental Review (Exhibit 2C15), and Relocation Narrative, if Applicable

Factor 4—Leveraging, Including Your Letters(s) Evidencing the Leveraged Commitment(s)

Factor 5—Coordination, Include HUD-2991, Certification of Consistency With the Consolidated Plan

(13) HUD-2990, Certification of Consistency with the EZ/EC Strategic Plan (if applicable);

## VII. Corrections to Deficient Applications

The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications.

## VIII. Environmental Requirements

Environmental procedures apply to HUD approval of grants when you propose to use Youthbuild funds to cover any costs for the lease, acquisition, rehabilitation, or new construction of real property proposed for housing project development. Environmental procedures do not apply to HUD approval of your application when you propose to use your Youthbuild funds solely to cover costs for classroom and/or on-the-job construction training and support services.

If you propose to use your Youthbuild funds to cover any costs of the lease, acquisition, rehabilitation, or new construction of real property, you must submit all relevant environmental information in your application to support HUD decisionmaking in accordance with the environmental procedures and standards set forth in HUD Regulation 24 CFR 585.307.

### IX. Authority

This program is authorized under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as added by section 164 of the Housing and Community Development Act of 1992 (Pub.L. 102-550, 106 Stat. 3723, 42 U.S.C. 12899). The Youthbuild Program regulations are found in 24 CFR part 585.

### Appendix A—Instructions for Completion of Youthbuild Environmental Requirements (Exhibit 2C(15))

#### A. Instructions to Applicants

1. If you propose to use Youthbuild funds to cover any costs of the lease, acquisition, rehabilitation, or new construction of real property, you shall submit all relevant environmental information in your application to support HUD decisionmaking in accordance with the environmental procedures and standards set forth in 24 CFR 585.307. For each proposed Youthbuild property for which HUD environmental procedures apply, you are to prepare a separate Exhibit 2C(15) in which you supply HUD with environmental threshold information and letters from qualified data sources (see definition below) which support the information. HUD will review your submission and determine how, if necessary, HUD will comply with any Federal laws and authorities that may be applicable to your property proposed for Youthbuild funding. If environmental procedures apply and Exhibit 2C(15) with supporting documentation is not included then the application will be deemed ineligible.

You are to follow these instructions for preparing Exhibit 2C(15). The instructions advise you on how to obtain and document certain information to be supplied to HUD in this exhibit. Before selecting a property for Youthbuild funding, you should read these instructions and be advised that HUD encourages you to select, to the extent practicable, properties and locations that are free of environmental hazards and problems discussed in these instructions. The responses to the environmental criteria in Exhibit 2C(15)

will be used to determine environmental approval or disapproval by HUD of proposals for physical development of properties.

2. After selecting a property for proposed Youthbuild funding, you are to determine the activities to be undertaken with your Youthbuild funds. You are to indicate in section E whether the Youthbuild funds will be used for:

- (a) Lease or purchase of a property;
- (b) Minor rehabilitation or
- (c) Major rehabilitation; or
- (d) New construction of housing.

The activities proposed for Youthbuild funding will determine the kind of data that you will need to obtain from a qualified data source in order to complete Exhibit 2C(15).

3. Once you have selected a property and determined the activities for Youthbuild funding, you are advised to check with your city or county agency that administers HUD's Community Development Block Grant program and performs environmental reviews, or the local planning agency. The reason is that most, if not all, the data needed for preparing Exhibit 2C(15) is readily available from the local community development agency and the local planning agency. You are advised to ask the environmental staff of those agencies the following:

- (a) Has the agency ever prepared an environmental review of the proposed Youthbuild property or the neighborhood in which the property is located, and if so, would it provide a copy to the applicant for use by HUD;
- (b) Would the agency assist you in completing section G; or if the agency is not able to help complete any item in section G, would the agency advise you which local or State agency is the appropriate qualified data source for obtaining the information.

Also, you should check with the local planning agency before proceeding elsewhere for the information.

You are advised that the cost of preparing information and analyses needed for Exhibit 2C(15) is an eligible cost under the Youthbuild program and is reimbursable if you are approved for a grant.

4. The following definitions are of key terms used in these instructions. Most of the other terms are technical and their definition would be known to qualified data sources.

(a) *Qualified data source* means any Federal, State or local agency with expertise or experience in environmental protection (e.g., the local community development agency; the land planning agency; the State environmental protection agency; the

State Historic Preservation Officer) or any other source qualified to provide reliable information on the particular subject. A letter supporting the information from each qualified data source is to be attached to Exhibit 2C(15).

(b) *Minor rehabilitation* means proposed fixing and building repair:

- (i) Where the estimated cost of the work is less than 75 percent of the property value after completion;
- (ii) That does not involve changes in land use from residential to nonresidential, or from nonresidential to residential;
- (iii) That does not involve the demolition of one or more buildings, or parts of a building, containing the primary use served by the project; and
- (iv) That does not increase unit density by more than 20 percent.

For minor rehabilitation of a building located in a floodplain, the criteria for substantial improvement modify this definition. (See Item B 3 below)

(c) *Major rehabilitation* means proposed fixing and building repair:

- (i) Where the estimated cost of the work is 75 percent or more of the property value after completion; or
- (ii) That involves changes in land use from residential to nonresidential, or from nonresidential to residential; or
- (iii) That involves the demolition of one or more buildings, or parts of a building, containing the primary use served by the project; or
- (iv) That increases unit density by more than 20 percent.

(d) *Multifamily housing* means any residential building that contains five or more apartments or rooming units.

(e) *Single-family housing* means any residential building that contains one-to-four dwelling units.

Because each Federal environmental law or authority has compliance requirements that differ according to the type of proposed activity to be funded, you are required to supply information in Exhibit 2C(15) only for the type of activity for which the Youthbuild grant will be used.

(a) If you propose new construction or major rehabilitation of multifamily housing, you must supply complete and reliable environmental threshold information for items 1 through 13 in section G.

(b) If you propose new construction of single family housing, you must supply complete and reliable environmental threshold information for items 1 through 12 in section G.

(c) If you propose minor rehabilitation of multifamily or single-family housing, or the purchase or lease of a property, you must supply complete and reliable

environmental threshold information for items 1 through 7 in section G.

5. Applicants subject to HUD's environmental procedures are to submit Exhibit 2C(15) and accompanying documentation to HUD with the applications for grant assistance. Such applicants are prohibited from committing or expending State, local or other funds to undertake property rehabilitation, construction (including demolition), or acquisition (including lease), until HUD and the grantee execute a grant agreement for the proposed Youthbuild project.

6. HUD reserves the right to disqualify any application where one or more environmental thresholds are exceeded if HUD determines that the compliance review cannot be conducted and satisfactorily completed within the HUD review period for Youthbuild applications.

#### *B. Environmental Threshold and Documentation Requirements*

The threshold and documentation requirements for each of the Federal environmental laws and authorities are described below, following the same order as they appear in section G.

1. Site within designated coastal barrier resources:

Threshold: Youthbuild applicants are prohibited by Federal law from using Federal financial assistance for properties, if the properties are located within designated coastal barriers of the Atlantic Ocean, Gulf of Mexico, and the Great Lakes (Coastal Barrier Resources Act, as amended, 16 U.S.C. 3501).

\* Documentation: You are to select either A or B for the condition that best describes the property and report the option selected in item 1 of section G.

A. You state that your program operates in a community that does not contain any shores along the Atlantic Ocean, the Gulf of Mexico, or the Great Lakes.

B. If your program operates in a community that does contain shores along the Atlantic Ocean, the Gulf of Mexico, or the Great Lakes, you must provide HUD with a finding made by a qualified data source stating that the proposed property is not located within a designated coastal barrier resource by citing the map panel number of the official maps issued by the Department of the Interior (DOI) on the basis of which the finding was made.

2. Site contaminated with toxic chemicals and radioactive materials:

Threshold: Under HUD policy, as described in HUD Notice 79-33 (Policy Guidance to Address the Problems Posed by Toxic Chemicals and Radioactive Materials), HUD will not

approve the provision of financial assistance to residential properties located on contaminated sites. Sites known or suspected to be contaminated by toxic chemicals or radioactive materials include but are not limited to sites: (i) listed on either an EPA Superfund National Priorities List (NPL) or CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) List, or equivalent State list; (ii) located within 3,000 feet of a toxic or solid waste landfill site; or (iii) with an underground storage tank (which is not a residential fuel tank).

\* Documentation: You are to select either A or B for the condition that best describes property and report the option selected in item 2 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the proposed Youthbuild property and any neighboring properties do not contain any sites known or suspected to be contaminated with toxic chemicals and radioactive materials.

B. You are providing any site contamination data by a qualified data source in your letter for HUD's evaluation of contamination and/or suspicion of any contamination of a proposed property or any neighboring properties.

3. Site affecting a floodplain:

Threshold: A property located within a floodplain and proposed for funding is subject to Executive Order 11988, Floodplain Management. The Executive Order directs HUD to avoid, where practicable, proposed financial support for any floodplain property, whenever HUD has options to approve properties in flood-free locations. The Order does not apply to existing single-family properties proposed for purchase or lease except for: (i) property that is located within a floodway or coastal high hazard area; and (ii) substantial improvement. Substantial improvement for flood hazard purposes means any property rehabilitation which: (a) increases the unit density of the property; or (b) equals or exceeds 50 percent of the market value of the property before rehabilitation, but excluding the costs for correcting health, sanitary, and safety code violations. Note: Proposed funding for substantial improvement and new construction are subject to the Executive Order decision making process. This may result in a disqualification of your application (refer above to number 7 under "Instructions to Applicants").

\* Documentation: You are to select A or B for the condition that best describes your property and report the option selected in item 3 of section G.



A. You are providing HUD with a finding made by a qualified data source stating that the property is not located within the Special Flood Hazard Area (SFHA).

B. You are providing HUD with a finding made by a qualified data source that the property is located within the Special Flood Hazard Area (SFHA) and indicating if whether the property is located within a floodway or coastal high hazard area.

The information for A and B must provide HUD with the flood map panel number obtained either from the official maps issued for the National Flood Insurance Program or from the property appraisal report used to make the finding.

For all proposed rehabilitation of properties that are located within a SFHA, you must provide HUD with estimates of: (i) the property value before rehabilitation, and (ii) the cost of the proposed rehabilitation. Provide the estimates in section F.

If the property is found to be located within a SFHA, proceed to item 4 on flood insurance protection. Otherwise proceed to item 5.

#### 4. Building requiring flood insurance protection:

**Threshold:** HUD will estimate the amount and period of flood insurance coverage that is to be made a condition of approval of any HUD financial assistance for a building located within a Special Flood Hazard Area (SFHA). The Flood Disaster Protection Act of 1973 requires owners of HUD-assisted buildings to purchase and maintain flood insurance protection as a condition of approval of any HUD financial assistance for the proposed purchase, rehabilitation, or new construction of any SFHA building. The law prescribes the coverage period and dollar amount of flood insurance protection.

**Proof of Purchase of Flood Insurance Protection:** You must provide HUD with proof of purchase of flood insurance protection for any proposed Youthbuild building located within the SFHA, whenever HUD funding is being used for property purchase, rehabilitation, or new construction. The standard documentation for compliance is the Policy Declarations form issued by the National Flood Insurance Program (NFIP) or issued by any property insurance company offering coverage under the NFIP. Whenever the requirement applies to coverage which extends to future years, the grant agreement will require that the insured has its insurer automatically forward to HUD, in the same manner as to the insured, an information copy of the

Policy Declarations form, which is used to verify compliance. The Youthbuild applicants responsibility ceases in cases where a mortgage loan is approved requiring flood insurance as condition of loan approval by a lender (other than the Youthbuild applicant), whose responsibility is to assure flood insurance coverage for the loan.

**\*Documentation:** You are to select either A or B for the condition that best describes your property and report the option selected in item 4 of section G.

A. You already own the property and attach a copy of the Policy Declarations form confirming that a current flood insurance policy is in effect and the policy provides adequate coverage for the building proposed for the Youthbuild project located within the Special Flood Hazard Area.

B. After you have purchased (or constructed, in the case of proposed new construction) the Youthbuild property, you must obtain and maintain flood insurance protection. For the term and amount of coverage prescribed by law, you must provide HUD with a copy of the Policy Declarations form confirming that the flood insurance policy is in effect and the policy provides adequate coverage for the Youthbuild building located within the Special Flood Hazard Area.

#### 5. Site within clear zones or accident potential zones of airports and airfields:

**Threshold:** HUD policy as described in 24 CFR part 51, subpart D applies to HUD approval of financial assistance to: (a) properties located within clear zones; and (b) in the case of new construction or major rehabilitation, properties located within accident potential zones.

(a) Clear zones: New construction and major rehabilitation of a property that is located on a clear zone site is prohibited. HUD financial assistance in a clear zone is allowed only for the proposed lease, purchase, or minor rehabilitation of properties (24 CFR 51.302(a)). For HUD funding approval for any property in a clear zone: (a) HUD will give advance written notice to the prospective property buyer in accord with 24 CFR 51.303(a)(3); and (b) a copy of the HUD notice signed by the prospective property buyer will be placed in the property file. The written notice informs the prospective property buyer of: (i) the potential hazards from airplane accidents which studies have shown more likely to occur within clear zones than in other areas around the airport/airfield; and (ii) the potential acquisition by airport or airfield operators, who may wish to buy the property at some future date as part of a clear zone acquisition program.

(b) Accident potential zones: For properties located within the accident potential zone (APZ), HUD shall determine whether the use of the property is generally consistent with Department of Defense "Land Use Compatibility Guidelines for Accident Potential Zones."

**\*Documentation:** You are to select either A or B for the condition that best describes your property and report the option selected in item 5 of section G.

A. The property is not located within 3,000 feet of a civil airport or military airfield.

B. If your property is located within 3,000 feet of a civil airport or military airfield, you must provide HUD with a finding from the airport operator stating whether or not the property is located within a runway clear zone at a civil airport, or a clear zone or accident potential zone at a military airfield.

For properties that are located within a runway clear zone or a clear zone or accident potential zone, if you propose to rehabilitate such a property you must provide HUD with estimates of: (i) the cost of the proposed rehabilitation, and (ii) the property value after completion of the rehabilitation. The estimates are to be provided in section F.

#### 6. Site is or affects an historic property:

**Threshold:** Only if a property is proposed for rehabilitation or new construction must HUD in consultation with the State Historic Preservation Officer (SHPO), and following the Department of the Interiors Standards and Guidelines for Evaluation, make a determination whether the property is:

(a) Listed on or formally determined to be eligible for listing on the National Register of Historic Places;

(b) Located within or directly adjacent to an historic district; or

(c) A property whose area of potential effects includes an historic district or property.

Historic properties and districts are subject by law to special protection and historic preservation processing which HUD must perform to comply with the regulations of the Advisory Council on Historic Preservation (ACHP: 36 CFR part 800). Note: If you are using information from the SHPO as a qualified data source you need to allow sufficient time to obtain the information from the SHPO. You may wish to make special arrangements with the SHPO for rapid review of the proposed property where this is practicable. In addition, for properties determined to be historic properties, HUD will require 30 to 90 days in most cases for HUD to perform historic preservation compliance with the ACHP regulations. This may result

in a disqualification of the application (refer above to number 7 under "Instructions to Applicants").

\*Documentation: You are to select one of the following options that best describes the condition of your property and report the option selected in item 6 of section G.

A. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity:

1. Is located within an area where there are no historic properties; or

2. Will have no effect on historic properties; or

3. Will have an effect on historic properties not considered adverse.

B. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity will have an adverse effect on historic properties.

C. You are providing HUD with a copy of a letter from the SHPO stating any reasons for not being able to provide you with the requested information and finding.

7. Site near hazardous industrial operations:

Threshold: Properties that are located near hazardous industrial operations handling fuels or chemicals of an explosive or flammable nature are subject to HUD safety standards (24 CFR 51, Subpart C). However, under the Youthbuild program, these standards would apply only if you propose: (i) construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units. In the case of tanks containing common liquid fuels, the requirement for an acceptable separation distance (ASD) calculation only applies to storage tanks that have a capacity of more than 100 gallons.

\*Documentation: You are to select one of the following options that best describe the condition of the property, and report the option selected in item 7 of section G.

A. The proposed project does not include: (i) construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units.

B. The proposed project includes: (i) construction of a building; (ii)

conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units; and you are providing HUD with a finding by a qualified data source that the proposed property is not located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature by citing data used and the maps used.

C. The applicant proposes: (I) construction of a building; (ii) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (iii) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units; and the grantee provides HUD a finding made by a qualified data source stating: (1) that the proposed property is located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature; (2) the type and scale of such hazardous industrial operations; (3) the distance of such operations from the proposed property; (4) a preliminary calculation of the acceptable separation distance (ASD) between such operations and the proposed property; and (5) a recommendation as to whether it is safe to use the property in accord with 24 CFR 51, Subpart C.

8. Site near high noise source: Threshold: For new construction which is to occur in high noise areas (i.e. exceeding 65 decibels), applicants shall incorporate noise attenuation features to the extent required by HUD environmental criteria and standards contained in Subpart B (Noise Abatement and Control) of 24 CFR part 51. Approvals in a Normally unacceptable noise zone require a minimum of 5 decibels additional sound attenuation for buildings having noise-sensitive uses if the day-night average sound level is greater than 65 decibels but does not exceed 70 decibels, or a minimum of 10 decibels of additional sound attenuation if the day-night average sound level is greater than 70 decibels but does not exceed 75 decibels.

Proposed housing sites with above 75 decibels are unacceptable and the noise attenuation measures require the approval of the Assistant Secretary for Community Planning and Development. In Unacceptable noise zones, HUD strongly encourages conversion of noise-

exposed sites to non-housing land uses compatible with the high noise levels.

For major rehabilitation projects involving five or more dwelling units located in the "Normally Unacceptable" and "Unacceptable" noise zones, HUD actively seeks to have project sponsors incorporate noise attenuation features, given the extent and nature of the rehabilitation being undertaken and the level of exterior noise exposure.

\*Documentation: You are to select A or B for the condition that best describes their project and report the option selected in item 8 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units is not located within: (i) 1,000 feet of a major noise source, road, or highway; (ii) 3,000 feet of a railroad; or (iii) 1 mile of a civil or 5 miles of a military airfield.

B. The applicant provides HUD with a finding made by a qualified data source: (i) stating that the plans for the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units will incorporate noise attenuation features in accord with HUD environmental criteria and standards contained in Subpart B (Noise Abatement and Control) of 24 CFR part 51; (ii) stating whether the property is located within a "Normally Unacceptable" or "Unacceptable" noise zone; and (iii) providing HUD plans and a statement of the anticipated interior noise levels.

9. Site affecting coastal zone management:

Threshold: Only for proposed activities involving new construction or major rehabilitation of multifamily housing does the Coastal Zone Management (CZM) authority apply. Projects which can affect the coastal zone must be carried out in a manner consistent with the approved State coastal zone management program under Sec. 307 of the Coastal Zone Management Act of 1972, as amended.

\*Documentation: You are to select either A or B for the condition that best describes the project and report the option selected in item 9 of section G.

A. You state that your project is not located within a coastal zone, as defined by the States Coastal Zone Management Plan.

B. If your project is located within a coastal zone, you are providing HUD with a finding made by the State CZM agency that the project proposed by the applicant is consistent with the

approved State coastal zone management program.

10. Site affecting a sole source aquifer:

Threshold: The sole source aquifer authority applies primarily to activities involving proposed new construction or conversion to housing of non-residential property. Projects which can affect aquifers designated by the Environmental Protection Agency (EPA) must be reviewed for impact on such designated aquifer sources. The Safe Drinking Water Act of 1974 requires protection of drinking water systems which are the sole or principal drinking water source for an area and which, if contaminated, would create a significant hazard to public health.

\*Documentation: You are to select either A or B for the condition that best describes their project and report the option selected in item 10 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the proposed property is not located on nor does it affect a sole source aquifer designated by EPA.

B. If your project proposes new construction or conversion activities that are located on or may affect any sole source aquifer designated by the EPA, you are identifying the aquifer and providing HUD with an explanation of the effect on the aquifer from a qualified data source, and/or a copy of any comments on the proposed project that have been received from the EPA Regional Office as well as from any State or local agency with jurisdiction for protecting the drinking water system.

11. Site affecting endangered species:

Threshold: The Endangered Species Protection (ESP) authority applies primarily to activities involving proposed new construction or conversion to housing of a non-residential property. Projects which can affect listed or proposed endangered or threatened species or critical habitats require consultation with the Department of the Interior in compliance with the procedure of Section 7 of the Endangered Species Act of 1973, as amended.

\*Documentation: You are to select either A or B for the condition that best describes the property and report the option selected in item 11 of section G.

A. If your project proposes new construction or conversion activities, you are providing HUD with a finding made by a qualified data source that the project is not likely to affect any listed or proposed endangered or threatened species or critical habitat. The finding shall indicate whether the project is located within a critical habitat, and if so, explain why the project is not likely to affect the species or habitat.

B. If your project proposes new construction or conversion activities that are likely to affect listed or proposed endangered or threatened species or critical habitat, you are providing HUD with a statement from a qualified data source explaining the likely affect, and/or a finding made by the Fish and Wildlife Service of the Department of the Interior stating as acceptable the proposed mitigation that you will provide to protect any affected endangered or threatened species or critical habitat.

12. Site affecting a designated wetland:

Threshold: New construction or conversion to housing of a non-residential property located within a designated wetland is subject to Executive Order 11990, Protection of Wetlands. This Executive Order directs HUD to avoid, where practicable, financial support for new construction on wetland property.

**Note:** Proposed funding for new construction or conversion is subject to the Executive Order decision making process. This may result in a disqualification of the application (refer above to number 7 under "Instructions to Applicants").

\* Documentation: You are to select A or B for the condition that best describes the property and report the option selected in item 12 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property is not located within a designated wetland where new construction or conversion is proposed.

B. You are providing HUD with a finding made by a qualified data source

that the property is located within a designated wetland, which applies only to property where new construction or conversion is proposed.

The information for A and B must provide HUD with the wetland panel number obtained from official maps issued by the Department of the Interior on the basis of which the finding was made, or where DOI has not mapped the area, a letter or other documentation from the Army Corps of Engineers or other Federal agency.

13. Significant impact to the human environment:

Threshold: HUD must perform an environmental assessment of any property proposed for major rehabilitation or new construction except for a single-family property having one-to-four dwelling units. It is the policy of the Department to reject proposals which have significant adverse environmental impacts and to encourage the modification of projects in order to enhance environmental quality and minimize environmental harm. This policy is authorized by the National Environmental Policy Act (NEPA) and the implementing regulations of the Council on Environmental Quality and HUD's Environmental Rule at 24 CFR part 50.

\* Documentation: You are to provide HUD with any information on any adverse environmental impacts that affect the property or that the project would create. You are to report this data on a separate sheet and attach it to Exhibit 2C(15). Examples of adverse impacts are: soil instability and erodibility; natural or person-made hazards and nuisances; air pollution; inadequate infrastructure (e.g., water supply, waste water treatment, storm water management, solid waste collection), inadequate public services (i.e., fire, police, health care, social services, schools, parks) and transportation; and encroachment on prime farmlands and wild and scenic river areas. You are to identify any significant impacts to the human environment.

BILLING CODE 4210-32-P

## Appendix B

The non-standard forms, which follow, are required for your Youthbuild application.

## 2 C. Housing Site Description

Complete all sections.

1. Housing Site Identification	2. Number of housing units planned to be produced	3. Type of housing to be produced: (check all that apply) <input type="checkbox"/> residential rental <input type="checkbox"/> homeownership <input type="checkbox"/> transitional housing for the homeless
4. Homeless Housing: For housing that will be transitional housing for the homeless, attach a description of the plan for the outreach and placement of homeless families or individuals. (1 page) <b>Label this narrative Exhibit 2C4.</b>		
5. Will all housing produced be provided for homeless, low-income, or very-low income persons?  <input type="checkbox"/> Yes <input type="checkbox"/> No	6. The on-site training will consist of:  <input type="checkbox"/> New Construction <input type="checkbox"/> Rehabilitation	
7. Are any of the units currently occupied?  <input type="checkbox"/> Yes <input type="checkbox"/> No  If yes, attach a relocation narrative that identifies: the number of persons, the business or others occupying the property on the date of submission of this application, the number to be displaced, the number to be temporarily relocated but not displaced, the estimated cost of relocation services payments and services, the source of funds for relocation, and the organization that will provide relocation assistance to occupants and the contact person's name and phone number. <b>Label this attachment as Exhibit 2C7.</b>	8. Name of the current owner of the property.	
9. Documentation of Access: Attach required evidence of site access. (Letter from the owner identified in No. 8) <b>Label this attachment Exhibit 2C9.</b>		
10. Individual Housing Project Site Estimate and Documentation of Resources  Complete the attached Exhibit 2C10 for each housing project site to be used in conjunction with the Youthbuild implementation program. <b>Attach documentation of resources behind each Exhibit 2C10.</b>		
11. Describe the applicant's role and responsibilities for the on-site housing construction or rehabilitation work. <b>Label this description Exhibit 2C11.</b>		
12. Name the entity which will own and manage the property after the construction or rehabilitation work is completed.	13. Housing Project Certifications. Housing Certifications are Attached: <input type="checkbox"/> Yes <input type="checkbox"/> No	
14. Model Lease A Model Lease is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No	15. Environmental Threshold Information for Property Proposed for Youthbuild funding Exhibit 2C15 and supporting documentation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No	
16. Picture: (optional) Provide a picture of each potential housing site. <b>Label it Exhibit 2C16.</b>		

## 2 C 10: Youthbuild Grant Individual Housing Project Site Estimate

Address of Property (Include city, State, and zip code)

Grant Activities	Resources					Total
	Youthbuild	Other Federal	State	Local	Private	
1. Acquisition	\$	\$	\$	\$	\$	\$
2. Architecture and Engineering						
3. Housing Construction						
4. Housing Rehabilitation						
5. Total Housing Project Costs for Site						

**Note 1:** Include both **cash** and **in-kind** contributions.

**Note 2:** When paid, in whole or in part, with Youthbuild program funds, the activities above will trigger applicable Youthbuild project-related restrictions contained in Youthbuild regulations CFR Part 585.309, 310, or 311. Applicants who propose to use Youthbuild funds for one or more of these activities are required to complete the appropriate certifications, i.e., Exhibit 2C15 and letter(s) from qualified data sources. See Appendix Instructions for Completion of Youthbuild Environmental Requirements.

### Documentation of Housing Resources

Attach a letter of commitment from each source of funding.

Name of Provider (Donor)	Cash or In-Kind	Dollar Value Provided	Page No. of Letter	HUD Use Only
		\$		
		\$		
		\$		
		\$		
Total		\$		

---

## 2 C 13a: Housing Project Certifications For Residential Rental Units

Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, rehabilitation, operating costs or replacement reserves for a housing project that will be used for residential rental units, must make the following certifications. If the rightful property owner is not the applicant, then these certifications must be signed by that property owner. A separate certification must be signed for each housing project.

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild residential rental housing project receiving Youthbuild assistance, it:

- A. Will maintain at least a 90 percent level of occupancy for individuals and families with incomes less than 60 percent of the area median income, adjusted for family size. The remaining ten percent of the units will be made available to and occupied by low-income families. The income test will be conducted only at the time of entry for each unit available for occupancy. Each available rental unit will be made available to the 60 percent-of-area-median-income group for an advertising period of not less than 90 days upon each vacancy occurrence throughout the ten year period. Community-wide advertisements for tenants of this income group will be conducted. If, at the end of the 90-day advertising period, no qualifying tenant leases the unit, the unit will be advertised for individuals and families with incomes between 60 and 80 percent of the area median income, adjusted for family size, for another 90-day period. Leases for tenants whose incomes are between 60 and 80 percent of the area median income (exclusive of the ten percent allowance) will be limited to one year and such temporary tenants are not covered by paragraphs C., E., and F. below.
- B. Will use the model lease submitted with the Youthbuild application with any modifications approved by HUD at the time of grant award.
- C. Will not terminate the tenancy or refuse to renew the lease of a tenant occupying a Youthbuild residential rental housing unit except for serious or repeated violations of the terms and conditions of the lease, or for violation of applicable Federal, state or local laws, or for other good cause. Any termination or refusal to renew the lease will be preceded by a not less than 30-day written notice to the tenant specifying the grounds for the action.
- D. Will maintain the premises in compliance with all applicable HUD, other Federal, State or local program housing quality standards and local code requirements. If no public assistance is involved other than the Youthbuild grant, HUD's Section 8 housing quality standards will be followed.
- E. Will develop and adopt a tenant selection plan that:
  - (1) is consistent with the purpose of providing housing for homeless and very low-income families and individuals;
  - (2) is reasonably related to program eligibility and the certifying entity's ability to perform the obligations of the lease;
  - (3) gives reasonable consideration to the housing needs of families that would qualify for a preference under section 6(c)(4)(A) of the United States Housing Act of 1937;
  - (4) provides for the selection of tenants from a written waiting list in the chronological order of their application, to the extent practicable, and for the prompt notification in writing of any rejected applicant of the grounds for any rejection; and
  - (5) acknowledges that a family holding tenant-based assistance under section 8 of the United States Housing Act of 1937 will not be refused tenancy because of the status of the prospective tenant as a holder of such assistance.

## 2 C 13b: Housing Project Certifications For Transitional Housing

Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, rehabilitation, operating costs or replacement reserves for a housing property that will be used for Transitional housing for the homeless must make the certifications below. If the rightful property owner is not the applicant, these certifications must be signed by that owner. A separate certification must be signed for each housing project.

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild transitional housing project receiving Youthbuild assistance, it:

- A. Will ensure that the aggregate monthly rental for each Youthbuild project will not exceed the operating costs of the project (including debt service, management, adequate reserves and other documented operating costs) plus a six percent return on any equity investment of the project owner.
- B. Will, **if it is a nonprofit organization**, use any profit received from the operation, sale or other disposition of the project for the purposes of providing housing for low- and moderate-income families. Any profit-motivated partners in a nonprofit partnership will receive: (i) not more than a six percent return on their equity investment from project operations; and (ii) upon disposition of the project, not more than an amount equal to their initial equity investment plus a return on that investment equal to the increase in the Consumer Price Index for the geographic location of the project since the time of the initial investment of such partner in the project.
- C. Will ensure that the transitional housing project shall adhere to the requirements regarding service delivery, housing standards and rent limitations applicable to comparable housing receiving assistance under title IV of the Stewart B. McKinney Homeless Assistance Act, unless these requirements are expressly waived by the Secretary of HUD to permit the conversion of the project to a permanent housing project.
- D. Will not convey ownership of the property unless the instrument of conveyance requires a subsequent owner to comply with the above certifications for the balance of the ten year period.

Signature of Authorized Certifying Official of:

☐ Applicant Organization ☐ Rightful Property Owner

Title \_\_\_\_\_

Organization \_\_\_\_\_

Date \_\_\_\_\_

Address of Property: \_\_\_\_\_

---

## 2 C 13c: Housing Project Certifications For Homeownership

Applicants requesting Youthbuild Grant funds to fund any part of the acquisition, architectural and engineering fees, construction, or rehabilitation for a housing property that will be used for homeownership must provide the certifications below. If the rightful property owner is not the applicant, then these certifications must be signed by that property owner. A separate certification must be signed for each housing project.

The Applicant or Rightful Property Owner certifies that, for a period of not less than ten (10) years after construction or rehabilitation is completed and an occupancy permit is issued for the Youthbuild homeownership housing project receiving Youthbuild assistance, it:

- A. Will ensure that the homeownership project will comply with the requirements of the HOPE II or HOPE III programs authorized under subtitles B or C respectively of title IV of the Cranston-Gonzales National Affordable Housing Act.
- B. Will not convey ownership of the property unless the instrument of conveyance requires a subsequent owner to comply with the above certification for the balance of the ten year period.

\_\_\_\_\_  
Signature of Authorized Certifying Official of:

☐ Applicant Organization ☐ Rightful Property Owner

Title \_\_\_\_\_

Organization \_\_\_\_\_

Date \_\_\_\_\_

Address of Property: \_\_\_\_\_



## 2 C 15: Environmental Threshold Information for a Property Proposed for Youthbuild Funding

(See instructions for completing this exhibit.) To be completed only if Youthbuild funds are being used to cover any cost for lease, acquisition, rehabilitation, or new construction of real property.

Youthbuild Applicant's Name	Contact Person's Name	Phone Number (include Area Code)																								
<p>A. Street address for the property (include City, State, Zip Code)</p>																										
<p>B. Attach a map of the community and mark on the map the location of the property.</p> <p>Map is attached: Yes <input type="checkbox"/> No <input type="checkbox"/></p>																										
<p>C. Attach a copy of any environmental review for the property obtained from the local qualified data source.</p> <p>Environmental review is attached Yes <input type="checkbox"/> No <input type="checkbox"/></p>																										
<p>D. Indicate the present and proposed use of the property (i.e., whether single-family, multifamily or non-residential); and number of dwellings or rooming units.</p> <p>Present use: _____ No. of units _____</p> <p>Proposed use: _____ No. of units _____</p>																										
<p>E. Indicate the activities for which you are proposing to use Youthbuild funds for the property.</p> <p><input type="checkbox"/> Lease or purchase of a property <input type="checkbox"/> Major Rehabilitation <input type="checkbox"/> Minor Rehabilitation <input type="checkbox"/> New Construction</p>																										
<p>F. If the proposed Youthbuild property is located within a floodplain, or a clear zone or accident potential zone of an airport or airfield, provide the following information:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; border: none;">Property value before rehabilitation (est. in thousands)</td> <td style="width: 33%; border: none;">Rehabilitation costs (est. in thousands)</td> <td style="width: 33%; border: none;">Property value after completion of rehabilitation (est. in thousands)</td> </tr> <tr> <td style="border: none;">\$ _____</td> <td style="border: none;">\$ _____</td> <td style="border: none;">\$ _____</td> </tr> </table>			Property value before rehabilitation (est. in thousands)	Rehabilitation costs (est. in thousands)	Property value after completion of rehabilitation (est. in thousands)	\$ _____	\$ _____	\$ _____																		
Property value before rehabilitation (est. in thousands)	Rehabilitation costs (est. in thousands)	Property value after completion of rehabilitation (est. in thousands)																								
\$ _____	\$ _____	\$ _____																								
<p>G. For new construction or major rehabilitation of multifamily housing, complete items 1 through 13. For new construction of single-family housing, complete items 1 through 12. For minor rehabilitation of multifamily or single-family housing, or for the purchase or lease of a property, complete items 1 through 7. The designation "A" or "B" or "C" refers to the type of documentation required by the instructions contained in the Appendix.</p>																										
<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">1. Site within designated coastal barrier resources</td> <td style="width: 40%;">Indicate A or B _____</td> </tr> <tr> <td>2. Site contaminated with toxic chemicals and radioactive materials</td> <td>Indicate A or B _____</td> </tr> <tr> <td>3. Site affecting a floodplain</td> <td>Indicate A or B _____</td> </tr> <tr> <td>4. Building requiring flood insurance protection</td> <td>Indicate A or B _____</td> </tr> <tr> <td>5. Site within clear zones or accident potential zones of airports and airfields</td> <td>Indicate A or B _____</td> </tr> <tr> <td>6. Site is or affects an historic property</td> <td>Indicate A, B, or C _____</td> </tr> <tr> <td>7. Site near hazardous industrial operations</td> <td>Indicate A, B, or C _____</td> </tr> <tr> <td>8. Site near high noise source</td> <td>Indicate A or B _____</td> </tr> <tr> <td>9. Site affecting coastal zone management</td> <td>Indicate A or B _____</td> </tr> <tr> <td>10. Site affecting a sole source aquifer</td> <td>Indicate A or B _____</td> </tr> <tr> <td>11. Site affecting endangered species</td> <td>Indicate A or B _____</td> </tr> <tr> <td>12. Site affecting a designated wetland</td> <td>Indicate A or B _____</td> </tr> </table>			1. Site within designated coastal barrier resources	Indicate A or B _____	2. Site contaminated with toxic chemicals and radioactive materials	Indicate A or B _____	3. Site affecting a floodplain	Indicate A or B _____	4. Building requiring flood insurance protection	Indicate A or B _____	5. Site within clear zones or accident potential zones of airports and airfields	Indicate A or B _____	6. Site is or affects an historic property	Indicate A, B, or C _____	7. Site near hazardous industrial operations	Indicate A, B, or C _____	8. Site near high noise source	Indicate A or B _____	9. Site affecting coastal zone management	Indicate A or B _____	10. Site affecting a sole source aquifer	Indicate A or B _____	11. Site affecting endangered species	Indicate A or B _____	12. Site affecting a designated wetland	Indicate A or B _____
1. Site within designated coastal barrier resources	Indicate A or B _____																									
2. Site contaminated with toxic chemicals and radioactive materials	Indicate A or B _____																									
3. Site affecting a floodplain	Indicate A or B _____																									
4. Building requiring flood insurance protection	Indicate A or B _____																									
5. Site within clear zones or accident potential zones of airports and airfields	Indicate A or B _____																									
6. Site is or affects an historic property	Indicate A, B, or C _____																									
7. Site near hazardous industrial operations	Indicate A, B, or C _____																									
8. Site near high noise source	Indicate A or B _____																									
9. Site affecting coastal zone management	Indicate A or B _____																									
10. Site affecting a sole source aquifer	Indicate A or B _____																									
11. Site affecting endangered species	Indicate A or B _____																									
12. Site affecting a designated wetland	Indicate A or B _____																									
<p>13. Significant impact to the human environment: Are there any adverse environmental impacts that affect the property or that the project would create?</p> <p>Yes <input type="checkbox"/> If yes, document on separate sheet(s). No <input type="checkbox"/></p>																										

## Exhibit 4A

Total Youthbuild Grant Budget						
Grant Activities	Sources of Funds					Total
	Youthbuild	Other Federal	State	Local	Private	
1. Acquisition	\$	\$	\$	\$	\$	\$
2. Architecture and Engineering						
3. Housing construction						
4. Housing rehabilitation						
5. Relocation						
6. Outreach and Recruitment Activities						
7. Education and job training (includes on-site training)						
8. Trainee wage, etc.*						
9. Leadership development, counseling, support services						
10. Job placement and follow-up						
11. Subtotal (sum of lines 1 through 10)						
12. Costs of administering Grant. **						
13. Total Costs (sum of lines 11 and 12)	\$	\$	\$	\$	\$	\$

\* Include need-based stipends/benefits/incentives/tools/clothing/etc.

\*\* Request may not exceed 15% of total budget (line 13).

**Exhibit 2F: Court-ordered Consideration**

Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application by the City of Dallas, Texas, for HUD funds, HUD shall consider the extent to which the Youthbuild strategy for the Dallas area will be used to eradicate the vestiges of segregation in the Dallas Housing Authority's low-income housing programs.

Is the applicant the City of Dallas, Texas?

☐ No

☐ Yes

If "yes", please attach a statement that addresses the effect(s), if any, that vestiges of racial segregation in the Dallas Housing Authority's low-income programs have on potential participants in the Youthbuild program and identify proposed actions for remedying those vestiges. Label this documentation Exhibit 2F.

## Exhibit 4B:

**Non-Housing Program Resources**

Information in this exhibit will be used to rate the Non-Housing Program Resources criterion. Applicants should refer to the specific instructions on how to complete this exhibit. Verify that the letter is acceptable. The "Dollar Value Provided" figure is total of those with an acceptable letter. Do not include any letters that are housing resources.

Name of Provider (Donor)	Cash or In-Kind	Dollar Value Provided	Page No. of Letter	HUD Use Only
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
Total		\$		

## **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

---

### **CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS**

Supportive Housing Program (SHP)

Shelter Plus Care (S+C)

Section 8 Moderate Rehabilitation Single  
Room Occupancy for Homeless Individuals  
(SRO)



**FUNDING AVAILABILITY FOR CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS—SUPPORTIVE HOUSING PROGRAM (SHP), SHELTER PLUS CARE (S+C), SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY PROGRAM FOR HOMELESS INDIVIDUALS (SRO)**

**Program Overview**

*Purpose of the Programs.* The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons move to self-sufficiency and permanent housing.

*Available Funds.* Approximately \$850 million.

*Eligible Applicants.* The chart in the Appendix A to this program section of this SuperNOFA identifies the eligible applicants for each of the three programs under the Continuum of Care.

*Application Deadline.* **May 31, 2000.**  
*Match.* Yes.

**Additional Information**

If you are interested in applying for funding under any of the Continuum of Care Homeless Assistance programs, please review carefully the **General Section** of the SuperNOFA and the following additional information.

**I. Application Due Date, Application Kits, Further Information, and Technical Assistance**

*Application Due Date.* Your completed application (an original containing the signed documentation and two copies) is due on or before 12:00 midnight, Eastern time, on May 31, 2000 to the addresses shown below.

See the **General Section** of this SuperNOFA for specific procedures that you must follow for the form of application submissions (e.g., mailed applications, express mail, overnight delivery, or hand carried).

*Addresses for Submitting*

*Applications.* To HUD Headquarters. Submit your original completed application (the application with the original signed documentation) to: Room 7270, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, Attention: Continuum of Care Programs.

*To the Appropriate CPD Field Office.* Also submit two copies of your completed application to the Community Planning and Development Division of the appropriate HUD Field Office for your jurisdiction. The HUD Field Office must receive the two copies

of your application by the deadline date as well. The determination, however, that your application was received on time will be made *solely on receipt of the application at HUD Headquarters in Washington*. Reviews will be based upon the contents of the application submitted to HUD Headquarters.

*For Application Kits.* For an application kit, please call the SuperNOFA Information Center at 1-800-HUD-8929 (voice) or 1-800-HUD-2209 (TTY), or you may download an application by Internet at <http://www.HUD.gov>.

*For Further Information.* You may contact the HUD Field Office serving your area, at the telephone number shown in Appendix A to the **General Section** of the SuperNOFA, or you may contact the Community Connections Information Center at 1-800-998-9999 (voice) or 1-800-HUD-2209 (TTY) or by Internet at: <http://www.comcon.org/ccprog.html>.

*For Technical Assistance.* Before the application deadline, HUD staff will be available to provide you with general guidance. HUD staff, however, cannot provide you with guidance in actually preparing your application. HUD Field Office staff also will be available to help you identify organizations in your community that are involved in developing the Continuum of Care system and, in the case of renewals, to determine the HUD final year amount (e.g., leasing, supportive services and operations for SHP, and rental assistance for S+C). Following conditional selection of applications, HUD staff will be available to assist selected applicants in clarifying or confirming information that is a prerequisite to the offer of a grant agreement or Annual Contributions Contract by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of your application pertinent to HUD's funding decision.

*Satellite Broadcast.* HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

**II. Amount Allocated**

Approximately \$850 million is available for this competition in FY 2000. Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures

from previous awards or budget transfers may be used in addition to 2000 appropriations to fund applications submitted in response to this program section of this SuperNOFA. The funds available for the Continuum of Care program can be used under any of three programs that can assist in creating community systems for combating homelessness. The three programs are:

- (1) Supportive Housing;
- (2) Shelter Plus Care; and
- (3) Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings for Homeless Individuals.

The chart in the Appendix A to this program section of this SuperNOFA summarizes key aspects of the programs, and also provides the citations for the statutes and regulations that authorize these programs. The regulations listed in the chart provide more detailed descriptions of each of the programs.

As in previous funding availability announcements for the Continuum of Care Homeless Assistance Programs, HUD will not specify amounts for each of the three programs this year. Instead, the distribution of funds among the three programs will depend largely on locally determined priorities and overall demand. Local priorities notwithstanding, due to recent Congressional action, not less than 30 percent of this year's total homeless assistance appropriation of \$1.020 billion must be used for permanent housing projects. (See Sections V(A)(4)(b) and V(A)(7) of this program section of the SuperNOFA for additional information.) Should Congress pass and the President sign legislation prior to this year's grant announcement permitting eligible S+C renewals selected for funding in the 2000 competition to be funded from sources other than the McKinney Act, HUD reserves the right to exercise this authority. Should this authority be exercised, HUD will skip over these selected S+C renewal projects funded from sources other than the McKinney Act in choosing projects from Continuum of Care priority lists for McKinney Act funding in this year's competition. These skipped over S+C renewal projects will not count against your continuum's prorata need amount, thus increasing the funds available for other projects. You should plan for this eventuality when developing your Continuum of Care priority list. All Shelter Plus Care renewals selected for funding, regardless of funding source, will count toward the 30 percent permanent housing requirement.

### III. Program Description; Eligible Applicants; Eligible Activities

#### (A) Program Description.

(1) *Developing Continuum of Care Systems.* The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons move to self-sufficiency and permanent housing. The process of developing a Continuum of Care system to assist homeless persons is part of the community's larger effort of developing a Consolidated Plan. For a community to successfully address its often complex and interrelated problems, including homelessness, the community must marshal its varied resources—community and economic development resources, social service resources, housing and homeless assistance resources—and use them in a coordinated and effective manner. The Consolidated Plan, including the Analysis of Impediments to Fair Housing Choice, serves as the vehicle for a community to comprehensively identify each of its needs and to coordinate a plan of action for addressing them.

A Continuum of Care system consists of four basic components:

- (a) A system of outreach and assessment for determining the needs and conditions of an individual or family who is homeless;
- (b) Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing finders;
- (c) Transitional housing with appropriate supportive services to help those homeless individuals and families who are not prepared to make the transition to permanent housing and independent living; and
- (d) Permanent housing, or permanent supportive housing, to help meet the long-term needs of homeless individuals and families.

A Continuum of Care system is developed through a community-wide or region-wide process involving nonprofit organizations (including those representing persons with disabilities), government agencies, other homeless providers, housing developers and service providers, private foundations, neighborhood groups, and homeless or formerly homeless persons. A Continuum of Care system should address the specific needs of each homeless subpopulation: the jobless, veterans, persons with serious mental illnesses, persons with substance abuse

issues, persons with HIV/AIDS, persons with multiple diagnoses, victims of domestic violence, youth, and any others. The term "multiple diagnoses" may include diagnoses of multiple physical disabilities or multiple mental disabilities or a combination of these two types.

As an applicant, the community process you use in developing a Continuum of Care system should include interested veteran service organizations. To ensure that the Continuum of Care system addresses the needs of homeless veterans, it is particularly important that you involve veteran service organizations with specific experience in serving homeless veterans. In addition, given the large number of youths aging out of the Foster Care system each year, you should seek to include persons knowledgeable on this issue in the planning process and ensure that your continuum of Care system adequately addresses this need.

Your application will be given a high score under the Continuum of Care scoring factors if the application demonstrates the achievement of two basic goals:

- That you have provided maximum participation by non-profit providers of housing and services; homeless and formerly homeless persons; state and local governments and agencies; veteran service organizations; organizations representing persons with disabilities; the private sector; housing developers; foundations and other community organizations.
- That you have created, maintained and built upon a community-wide inventory of housing and services for homeless families and individuals; identified the full spectrum of needs of homeless families and individuals; and coordinated efforts to obtain resources, particularly resources sought through this program section of the SuperNOFA, to fill gaps between the current inventory and existing needs. This coordinated effort must appropriately address all aspects of the continuum, especially permanent housing.

Should HUD determine, in its sole discretion, that sufficient evidence exists to confirm that the entity responsible for convening and managing the Continuum of Care process in a community has failed in the past to conduct a fair process, including a priority selection process that gives equal consideration to projects proposed by non profit organizations, HUD reserves the right to prohibit that entity and the individuals comprising that entity from participating in that capacity in the future. In making this determination, HUD will consider as

evidence court proceedings and decisions, or the determinations of other independent and impartial review bodies. Entities and individuals so prohibited under this authority will be notified in writing within 15 days of the publication of this Continuum of Care NOFA in the **Federal Register**.

In deciding the geographic area you will cover in your Continuum of Care strategy, you should be aware that the single most important factor in being awarded funding under this competition will be the strength of your Continuum of Care strategy when measured against the Continuum of Care rating factors described in this SuperNOFA. When you determine what jurisdictions to include in your Continuum of Care strategy area, include only those jurisdictions that are involved in the development and implementation of the Continuum of Care strategy.

The more jurisdictions you include in the Continuum of Care strategy area, the larger the pro rata need share that will be allocated to the strategy area (as described in Section V(A)(4) of this program section of the SuperNOFA). However, it would be a mistake to include jurisdictions that are not fully involved in the development and implementation of the Continuum of Care strategy since this would adversely affect the Continuum of Care score. If you are a rural county, you may wish to consider working with larger groups of contiguous counties to develop a region-wide or multi-county Continuum of Care strategy covering the combined service areas of these counties.

Since the basic concept of a Continuum of Care strategy is to create a single, coordinated, inclusive homeless assistance system for an area, the areas covered by Continuum of Care strategies should not overlap. If your Continuum of Care strategy geographically overlaps to the extent that they are essentially competing with each other, projects in the applications/Continuum of Care that receive the highest score out of the possible 60 points for Continuum of Care will be eligible for up to 40 points under Need. Projects in the competing applications/Continuum of Care with the less effective Continuum of Care strategies will be eligible for only 10 points under Need. In no case will the same geographical area be used more than one time in assigning Need points. The local HUD Field Office can help you determine if any of the areas proposed for inclusion by your Continuum of Care system is also likely to be claimed under another Continuum of Care system in this competition.



(2) *Prioritizing.* HUD's policy is that decisions about priority are best made through a locally-driven process and are key to the ultimate goal of reducing homelessness. Again this year, you must list all projects proposed for funding under this program section of the SuperNOFA in priority order from the highest priority to the lowest. Generally, this priority order will mean, for example, that if HUD has funds available only to award 8 of 10 proposed projects, then it will award funding to the first eight eligible projects listed, except as may be necessary to achieve the new 30 percent overall permanent housing requirement—in which case higher priority non-permanent housing projects may be skipped over to fund lower priority permanent housing projects. You should give non-profit organizations an opportunity to participate in establishing these priorities.

To promote permanent housing, a special incentive is being provided to Continuum of Care systems that place an eligible, new permanent housing project in the number one priority slot on the priority list. See Section V(A)(4)(b) of this program section of the SuperNOFA for a description of this incentive.

HUD will use this priority list to award up to 40 points per project under the "Need" scoring factors. Higher priority projects will receive more points under Need than lower priority projects. A project priority chart is included in the application kit and you should complete and submit it. If you do not submit clear project priority designations for the continuum, or if HUD, at its sole discretion, cannot determine priority designations, then HUD will give all projects the lowest score for Need.

*Project renewals.* If your Supportive Housing, Supportive Housing Demonstration Program, SAFAH, or Shelter Plus Care grants will be expiring in calendar year 2001, you must apply under this Continuum of Care program section of the SuperNOFA to get continued funding.

Your local needs analysis process must consider the need to continue funding for projects expiring in calendar year 2001, and you must assign a priority to those projects requesting renewal. HUD will not fund renewals out of order on the priority list except as may be necessary to achieve the new 30 percent overall permanent housing requirement. HUD reserves the authority to use FY 2001 funds, if available, to conditionally select for one year of funding lower-rated eligible SHP renewal projects that are assigned 40

need points in continuum of care systems that: (1) Would not otherwise receive funding; and (2) have not previously been awarded funds under this authority.

Regardless of the priority assigned to expiring projects, you should fully consider how persons currently being served by those projects will continue to be served, and address this issue in your gaps analysis. In previous competitions, some renewal projects that were not assigned top priority by a locality did not receive funding. To the extent your community desires to have such projects renewed, you should give them the top priorities on the priority projects listing in the application. It is also important that they meet minimum project eligibility, capacity, and quality standards identified in this program section of the SuperNOFA or they will be rejected.

For the renewal of a Supportive Housing Program project, Supportive Housing Demonstration Program project or SAFAH project, you may request funding for one (1), two (2) or three (3) years. For the renewal of a Shelter Plus Care project, the grant term is fixed at five (5) years as required by statute. You may request up to the amount determined by multiplying the number of units under lease at the time of application for renewal funding under this SuperNOFA by the applicable current Fair Market Rent(s) by 60 months. While full funding of existing grants may be requested, there is no guarantee that the entire amount will be awarded. As is the case with SHP, HUD will recapture Shelter Plus Care grant funds remaining unspent at the end of the original grant period when it renews a grant.

This program section of the SuperNOFA is not applicable to the renewal of funding under the SRO program. For further guidance on SRO renewals, please contact your local HUD Field Office.

As a project applicant, you are eligible to apply for renewal of a grant only if you have executed a grant agreement for the project directly with HUD. If you are a project sponsor or subrecipient who has not signed such an agreement, you are not eligible to apply for renewal of these projects. HUD will reject applications for renewal submitted by ineligible applicants. If you have questions about your eligibility to apply for project renewal, contact the local HUD field office. To be considered an applicant when applying as part of a consolidated application, you must submit an originally signed HUD Form SF-424 and the necessary certifications and assurances.

(B) *Eligible Applicants.* See Appendix A.

(C) *Eligible Activities.* See Appendix A.

#### IV. Program Requirements

(A) *Statutory and Regulatory Requirements.*

(1) *SRO Program.* As an applicant, you need know that the following limitations apply to the Section 8 SRO program:

- Under section 8(e)(2) of the United States Housing Act of 1937, no single project may contain more than 100 assisted units;
- Under 24 CFR 882.802, applicants that are private nonprofit organizations must subcontract with a Public Housing Authority to administer the SRO assistance;
- Under section 8(e)(2) of the United States Housing Act of 1937 and 24 CFR 882.802, rehabilitation must involve a minimum expenditure of \$3,000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade conditions to comply with the Housing Quality Standards.

• Under section 441(e) of the McKinney Act and 24 CFR 882.805(d)(1), HUD publishes the SRO per unit rehabilitation cost limit each year to take into account changes in construction costs. This cost limitation applies to rehabilitation that is compensated for in a Housing Assistance Payments Contract. For purposes of Fiscal Year 2000 funding, the cost limitation is raised from \$17,500 to \$17,850 per unit to take into account increases in construction costs during the past 12-month period.

(2) *Shelter Plus Care/Section 8 SRO Component.* With regard to the SRO component of the Shelter Plus Care program, if you are a State or a unit of general local government, you must subcontract with a Public Housing Authority to administer the Shelter Plus Care assistance. Also with regard to this component, no single project may contain more than 100 units.

(3) *Supportive Housing Program.* Please be advised that:

- Where an applicant for Supportive Housing Program funding is a State or unit of general local government that utilizes one or more nonprofit organizations to administer the homeless assistance project(s), administrative funds provided as part of the SHP grant must be passed on to the nonprofit organization(s) in proportion to the administrative burden borne by them for the SHP project(s). HUD will consider States or units of general local government that pass on at least 50

percent of the administrative funds made available under the grant as having met this requirement which was contained in the congressional committees' report accompanying the FY 2000 HUD Appropriations Act. This requirement does not apply to either the SRO Program, since no administrative funds are provided as part of the grant, or to the S+C Program, since paying the costs associated with the administration of these grants is ineligible by regulation.

- HUD anticipates publishing an amendment to SHP program regulations in the near future, which amendment would allow HUD to pay up to 75% of the annual operating costs for supportive housing in every year of the grant. The current rule, found at 24 CFR 583.125(c), allows HUD to pay up to 75% in the first two years of the grant and up to 50% in the remaining years. If the amendment of this section is published with final effect before conditional selection of awards under this NOFA, the amendment will apply to grants awarded in this competition.

(B) *Match.* You must match Supportive Housing Program funds provided for acquisition, rehabilitation, and new construction with an equal amount of funds from other sources; for operating costs, see preceding paragraph. In addition, in this year's competition, you must match by 25% all funding for supportive services. The cash source may be you, the Federal Government, State and local governments, or private resources. You must match rental assistance provided through the Shelter Plus Care Program in the aggregate with supportive services.

(C) *Linking Supportive Housing Programs and AmeriCorps.* Applicants for the Supportive Housing Program are encouraged to link their proposed projects with AmeriCorps, a national service program engaging thousands of Americans on a full or part-time basis to help communities address their toughest challenges, while earning support for college, graduate school, or job training. For information about AmeriCorps SHP partnerships, call the Corporation for National Service at (202) 606-5000 extension 486. (This is not a toll-free number.)

(D) *Linking Housing and Supportive Services.* Many of the clients who will be served by the HUD programs covered by this Continuum of Care NOFA may need services in addition to housing. It is important that potential grantees design programs which enhance access to those needed services. While HUD recognizes that there are many ways to ensure that clients receive the services

they need, to the extent possible, the Department encourages providers to develop housing programs which do not require participation in services as a part of their tenancy requirements while ensuring that, in the case of Shelter Plus Care, the supportive service match requirement is met.

(E) *Timeliness Standards.* As an applicant, you are expected to initiate your approved projects promptly. HUD may take action if you fail to satisfy the following timeliness standards:

(1) *Supportive Housing Program.*

- HUD will deobligate SHP funds if you have not demonstrated site control within one (1) year after you were initially notified of the grant award, as provided in 24 CFR 583.320(a), subject to the exceptions noted in that regulation.

- Except where HUD finds that delay was due to factors beyond your control, HUD may deobligate SHP funds if the you do not meet the following additional timeliness standards:

- You must begin construction activities within eighteen (18) months after initial notification of your grant award and complete them within thirty-six (36) months after that notification.

- For activities that cannot begin until construction activities are completed, such as supportive service or operating activities that will be conducted within the building being rehabilitated or newly constructed, you must begin these activities within three (3) months after you complete construction.

- You must begin all activities that may proceed independent of construction activities within twelve (12) months after initial notification of your grant award.

(2) *Shelter Plus Care Program*

*Components Except SRO Component.* Except where HUD finds that delay was due to factors beyond your control, HUD will deobligate S+C funds if you do not meet the following timeliness standards:

- For Tenant-based Rental Assistance, for Sponsor-based Rental Assistance, and for Project-based Rental Assistance without rehabilitation, you must start the rental assistance within twelve (12) months of the initial announcement of the grant award.

- For Project-based Rental Assistance with rehabilitation, you must complete the rehabilitation within twelve (12) months of initial notification of your grant award.

(3) *SRO Program and SRO Component of the Shelter Plus Care Program.*

For projects carried out under the SRO program and the SRO component

of the S+C program, the rehabilitation work must be completed and the Housing Assistance Payments contract executed within twelve (12) months of execution of the Annual Contributions Contract. HUD may reduce the number of units or the amount of the annual contribution commitment if, in HUD's determination, the Public Housing Authority fails to demonstrate a good faith effort to adhere to this schedule.

## V. Application Selection Process

(A) *Review, Rating and Conditional Selection.* HUD will use the same review, rating, and conditional selection process for all three programs (S+C, SRO, and SHP). The standard factors for award identified in the **General Section** of this SuperNOFA have been modified in this program section as described below. Only the factors described in this program section—Continuum of Care and Need—will be used to assign points. To review and rate applications, HUD may establish panels. In order to obtain certain expertise and outside points of view, including views from other Federal agencies, these panels may include persons not currently employed by HUD. Two types of reviews will be conducted. Paragraphs (1) and (2) below describe threshold reviews and paragraphs (3) and (4) describe factors—Continuum of Care and Need—that will be used to assign points. Up to 104 points (including bonus points and points for the court-ordered consideration described in Section III(C)(1) and (2) of the **GENERAL SECTION** of the SuperNOFA) will be assigned using these factors.

(1) *Applicant and sponsor eligibility and capacity.* HUD will review your capacity as the applicant and project sponsor to ensure the eligibility and capacity standards in this section are met. If HUD determines these standards are not met, the project will be rejected from the competition. The eligibility and capacity standards are:

- You must be eligible to apply for the specific program;
- You must demonstrate ability to carry out the project(s). With respect to each proposed project, this means that in addition to knowledge of and experience with homelessness in general, the organization carrying out the project, its employees, or its partners, must have the necessary experience and knowledge to carry out the specific activities proposed, such as housing development, housing management, and service delivery;
- If you or the project sponsors are current or past recipients of assistance under a HUD McKinney Act program or the HUD Single Family Property

Disposition Homeless Program, there must have been no delay in implementing projects exceeding applicable program timeliness standards that HUD determines is within your or the project sponsor's control, unresolved HUD finding, or outstanding audit finding of a material nature regarding the administration of HUD McKinney Act programs or the HUD Single Family Property Disposition Homeless Program; and

- You and the project sponsors must be in compliance with applicable civil rights laws and Executive Orders, and must meet the threshold requirements of Section II(B) of the **General Section** of the SuperNOFA.

(2) *Project eligibility and quality.* HUD will review projects to determine if they meet the following eligibility and quality standards. If HUD determines the following standards are not met by a specific project or activity, the project or activity will be rejected from the competition.

- The population to be served must meet the eligibility requirements of the specific program, as described in this program section;

- At least one of the activities for which assistance is requested must be eligible under the specific program, as described in the program regulations;

- The housing and services proposed must be appropriate to the needs of the persons to be served. HUD may find a project to be inappropriate if:

- The type and scale of the housing or services clearly does not fit the needs of the proposed participants (e.g., housing homeless families with children in the same space as homeless individuals, or separating members of the same family, without an acceptable rationale provided);

- Participant safety is not ensured;

- The housing or services are clearly designed to principally meet emergency needs rather than helping participants achieve self-sufficiency;

- Transportation and community amenities are not available and accessible; or

- Housing accessibility for persons with disabilities is not provided as required by applicable laws;

An SHP project renewal will be considered as having met this requirement through its previously approved grant application.

- The project must be cost-effective in HUD's opinion, including costs associated with construction, operations, and administration, with such costs not deviating substantially from the norm in that locale for the type of structure or kind of activity;

- Supportive services only projects, and all others, must show how participants will be helped to access permanent housing and achieve self-sufficiency. An SHP renewal will be considered as having met this requirement through its previously approved grant application;

- For the Section 8 SRO program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application; and

- For those projects proposed under the SHP innovative category: Whether or not a project is considered innovative will be determined on the basis that the particular approach proposed is new within its geographic area, and can be replicated.

(3) *Continuum of Care.* HUD will award up to 60 points as follows:

(a) *Process and Strategy.* HUD will award up to 30 points based on the extent to which your application demonstrates:

- The existence of a coordinated and inclusive community process, including organizational structure(s), for developing and implementing a Continuum of Care strategy which includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, and other groups serving homeless persons), State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the banking community, neighborhood groups, and homeless or formerly homeless persons; and

- That a well-defined and comprehensive strategy has been developed which addresses the components of a Continuum of Care system (*i.e.*, outreach, intake, and assessment; emergency shelter; transitional housing; permanent and permanent supportive housing) and that strategy has been designed to serve all homeless subpopulations in the community (*e.g.*, seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) *Gaps and Priorities.* HUD will award up to 20 points based on the extent to which your application:

- Describes the gap analysis performed, uses reliable information and sources that are presented completely and accurately, and establishes the relative priority of

homeless needs identified in the Continuum of Care strategy; and

- Proposes projects that are consistent with the priority analysis described in the Continuum of Care strategy, describes a fair project selection process, explains how gaps identified through the analysis are being addressed, and correctly completes the priority chart.

When HUD reviews a community's Continuum of Care to determine the points to assign, HUD will consider whether the community took its renewal needs into account in preparing its project priority list. (See discussion on renewals in Section III(A)(2) of this NOFA.)

(c) *Supplemental Resources.* HUD will award up to 10 points based on the extent to which your application incorporates mainstream resources and demonstrates leveraging of funds requested under this program section of the SuperNOFA with other resources, including private, other public, and mainstream services and housing programs. To achieve the highest rating for this factor, applicants must evidence strategies to expand access to McKinney and non-McKinney-funded programs by coordinating and integrating homeless programs with other mainstream health, social services and employment programs for which homeless populations may be eligible. These include Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act and the Welfare-to-Work grant program.

(d) *EZ/EC bonus points.* As provided for in Section III(C)(1) of the **General Section** of this SuperNOFA, HUD will add a bonus of up to 2 points to the Continuum of Care score when: (1) At least one proposed homeless assistance project will be located within the boundaries and/or will principally serve the residents of a federal Empowerment Zone, Enterprise Community, Enhanced Enterprise Community, or Strategic Planning Communities (collectively "EZ/EC"); and (2) if priority placement will be given by the project(s) to homeless persons living on the streets or in shelters within the EZ/EC, or whose last known address was within the EZ/EC. In addition, and in order for a Continuum of Care system to receive any of the bonus points, the applicant must specifically state how it meets the requirements for the two EZ/EC bonus points, and provide a narrative describing the extent of the linkages and coordination between proposed projects and the EZ/EC. Examples of such

coordination include having common board or committee membership (EZ/EC and Continuum of Care), and having EZ/EC resources directed toward Continuum of Care activities. The greater the extent of EZ/EC involvement in and coordination with the implementation strategy for the Continuum of Care system and projects, the greater the likelihood that bonus points will be awarded.

(e) *Court-ordered consideration.* Section III(C)(2) of the **General Section** is applicable to this program.

(4) *Need.* HUD will award up to **40 points** for need. There is a three-step approach to determining the need scores to be awarded to projects:

(a) *Determining relative need:* To determine the homeless assistance need of a particular jurisdiction, HUD will use nationally available data, including the following factors as used in the Emergency Shelter Grants program: Data on poverty, housing overcrowding, population, age of housing, and growth lag. Applying those factors to a particular jurisdiction provides an estimate of the relative need index for that jurisdiction compared to other jurisdictions applying for assistance under this program section of the SuperNOFA.

(b) *Applying relative need:* HUD will then apply that relative need index to the total amount of funding estimated to be available under this program section of the SuperNOFA to determine a jurisdiction's pro rata need. However, in order to promote permanent housing for the homeless, if a Continuum of Care's number one priority project qualifies as an eligible, new permanent housing project, then the full amount of that project's eligible activities, up to \$250,000, will be added to the final pro rata need amount for the Continuum. HUD also reserves the right to adjust pro rata need, if necessary, to address the issue of project renewals.

(c) *Awarding need points to projects:* Once the pro rata need is established, it is applied against the priority project list in the application. Starting from the highest priority project, HUD proceeds down the list to award need points to each project. An eligible project will receive the full 40 points for need if at least one half of its requested amount falls within the pro rata need amount for that Continuum of Care (COC). Thereafter, HUD proceeds further down the priority project list and awards 20 points for need to each project if at least one half of its requested amount falls within the "second tier" of pro rata need amount for that Continuum of Care. The "second tier" is the amount between the pro rata need and twice the

pro rata need for the COC. Remaining projects each receive 10 points. If projects are not prioritized for the Continuum, then all projects will receive 10 points for Need.

In the case of competing applications from a single jurisdiction or service area, projects in the application that received the highest score out of the possible 60 points for Continuum of Care are eligible for up to 40 points under Need. Projects in the competing applications with lower Continuum of Care scores are eligible for only 10 points under Need.

(5) *Ranking.* HUD will add the score for Continuum of Care to the Need score to obtain a total score for each project. The projects will then be ranked from highest to lowest according to the total combined score.

(6) *Conditional Selection and Adjustments to Funding.*

(a) *Conditional Selection.* Whether a project is conditionally selected, as described in Section V(B) below, will depend on its overall ranking compared to others, except that HUD reserves the right to select lower rated eligible projects in order to meet the 30 percent overall permanent housing requirement.

When insufficient funds remain to fund all projects having the same total score, HUD will first fund permanent housing projects if necessary to achieve the 30 percent overall permanent housing requirement. HUD will then break ties among the remaining projects with the same total score by comparing scores received by the projects for each of the following scoring factors, in the order shown: Need, Overall Continuum of Care (COC) score, COC Process and Strategy, COC Gaps and Priorities, and COC Supplemental Resources. The final tie-breaking factor is the priority number of the competing projects on the applicable COC priority list(s).

(b) *Adjustments to Funding.* The Secretary of HUD has determined that geographic diversity is appropriate to carrying out homeless assistance programs in an effective manner. HUD believes that geographic diversity can be achieved best by awarding grants to as many COCs as possible. To this end, in instances where any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa does not have at least one funded COC, HUD reserves the right to fund eligible project(s) receiving 40 Need points in the COC with the highest total score in that jurisdiction. To qualify for funding, the total score for these first tier projects on the COC priority list must be at least 70 points. In the case of two or more

COCs with the same total score, HUD will use the tie-breaking rules described above. In addition, if the highest priority project passing threshold requirements within a COC fails to meet the criteria for receiving 40 Need points, HUD reserves the right to reduce the total requested amount for that project to allow it to qualify for 40 Need points. HUD may otherwise adjust funding of applications in accordance with the provisions of Section III(E) of the **General Section** of the SuperNOFA. In addition, HUD reserves the right to ensure that a project that is applying for, and eligible for, selection under this competition is not awarded funds that duplicate activities.

(7) *Additional selection considerations.* HUD also will apply the limitations on funding described below in making conditional selections.

In accordance with the appropriation for homeless assistance grants in the Fiscal Year 2000 Appropriation Act for HUD (Pub.L. 106-24, approved October 20, 1999; 113 Stat. 1047), HUD will use not less than 30 percent of the total FY 2000 homeless grant assistance appropriation to fund projects that meet the definition of permanent housing. Projects meeting the definition of permanent housing are: (1) new Shelter Plus Care projects; (2) Shelter Plus Care renewal projects; (3) Section 8 SRO projects; and (4) new and renewal projects designated as permanent housing for homeless persons with disabilities under the Supportive Housing Program. Since the FY 2000 homeless grant assistance appropriation is \$1.020 billion, not less than \$306 million must be awarded to permanent housing projects unless an insufficient number of approvable permanent housing projects is submitted in which case HUD will carry over the amount of the permanent housing funding shortfall to next year's competition. This permanent housing funding requirement may result in higher scoring non-permanent housing projects being skipped over to fund lower scoring permanent housing projects or, within a continuum, higher priority non-permanent housing projects being skipped over to fund lower priority permanent housing projects.

In accordance with section 429 of the McKinney Act, HUD will award Supportive Housing funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After projects are

rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 463(a) of the McKinney Act, as amended by the Housing and Community Development Act of 1992, at least 10 percent of Shelter Plus Care funds will be awarded for each of the four components of the program: Tenant-based Rental Assistance; Sponsor-based Rental Assistance; Project-based Rental Assistance; and Section 8 Moderate Rehabilitation of Single Room Occupancy Dwellings for Homeless Individuals (provided there are sufficient numbers of approvable projects to achieve these percentages). After projects are rated and ranked, based on the factors described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If necessary, HUD will skip higher-ranked projects in order to achieve these minimum percentages.

In accordance with section 455(b) of the McKinney Act, no more than 10 percent of the assistance made available for Shelter Plus Care in any fiscal year may be used for programs located within any one unit of general local government. In accordance with section 441(c) of the McKinney Act, no city or urban county may have Section 8 SRO projects receiving a total of more than 10 percent of the assistance made available under this program. HUD is defining the 10 percent availability this fiscal year as \$10 million for Shelter Plus Care and \$10 million for Section 8 SRO. However, if the amount awarded under either of these two programs exceeds \$100 million, then the amount awarded to any one unit of general local government (for purposes of the Shelter Plus Care program) or city or urban county (for the purposes of the SRO program) could be up to 10 percent of the actual total amount awarded for that program.

Lastly, HUD reserves the right to reduce the amount of a grant if necessary to ensure that no more than 10 percent of assistance made available under this program section of the SuperNOFA will be awarded for projects located within any one unit of general local government or within the geographic area covered by any one Continuum of Care. If HUD exercises a right it has reserved under this program section of the SuperNOFA, that right will be exercised uniformly across all

applications received in response to this program section of the SuperNOFA.

(B) *Action on Conditionally Selected Applications.* HUD will notify conditionally selected applicants in writing. As necessary, HUD will subsequently request them to submit additional project information, which may include documentation to show the project is financially feasible; documentation of firm commitments for cash match; documentation showing site control; information necessary for HUD to perform an environmental review, where applicable; and such other documentation as specified by HUD in writing to the applicant, that confirms or clarifies information provided in the application. HUD will notify SHP, SRO, S+C and S+C/SRO applicants of the deadline for submission of such information. If an applicant is unable to meet any conditions for fund award within the specified timeframe, HUD reserves the right not to award funds to the applicant, but instead to either: use them to select the next highest ranked application(s) from the original competition for which there are sufficient funds available; or add them to funds available for the next competition for the applicable program.

## **VI. Application Submission Requirements**

The application kit provides the application materials, including Form SF-424 and certifications, that must be used in applying for homeless assistance under this SuperNOFA. These application materials substitute for the forms, certifications, and assurances listed in Section II(G) of the General Section of the SuperNOFA (collectively, the "standard" forms).

In addition to the required narratives, the items that you must submit to HUD as part of the application for homeless assistance funding are as the following. The standard forms can be found in Appendix B to the General Section of the SuperNOFA. The remaining forms (i.e., excluding such items as narratives), referred to as the non-standard forms can be found as Appendix B to this program section of the SuperNOFA):

1. 2000 Application Summary Form.
2. Continuum of Care and Project Exhibits.
3. Gaps Analysis Form.
4. Project Priorities Form.
5. Project Leveraging Form.
6. EZ/EC Certification.
7. SF-424.
8. Applicant Certifications.
9. Consolidated Plan Certification(s).

The application requires a description of the Continuum of Care system and the proposed project(s). To ensure that no applicant is afforded an advantage in the rating of the Continuum of Care element (described in Section V(A)(3) above), HUD is establishing a limitation of 25 pages, excluding required multiple page tables or charts but including any attachments, on the length of Exhibit 1 of any application submitted in response to this NOFA. HUD will not consider the contents of any pages exceeding this limit when rating the Continuum of Care element of any application. The application kit also contains certifications that the applicant will comply with fair housing and civil rights requirements, program regulations, and other Federal requirements, and (where applicable) that the proposed activities are consistent with the HUD-approved Consolidated Plan of the applicable State or unit of general local government, including the Analysis of Impediments to Fair Housing Choice and the Action Plan to address these impediments. Projects funded under this SuperNOFA shall operate in a fashion that does not deprive any individual of any right protected by the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. 5301) or the Age Discrimination Act of 1974 (42 U.S.C. 6101). Section II(D) of the **General Section** of this SuperNOFA regarding Affirmatively Furthering Fair Housing does not apply to the Continuum of Care Homeless Assistance programs.

There are three options for submitting an application under this program section of the SuperNOFA.

*One:* A "Consolidated Application" is submitted when a jurisdiction (or a consortium of jurisdictions) submits a single application encompassing a Continuum of Care strategy and containing all the projects within that strategy for which funding is being requested. Individual projects are contained within the one consolidated application. Grant funding may go to one entity which then administers all funded projects submitted in the application, or under this option, grant funding may go to all or any of the projects individually. Your application will specify the grantee for each project.

*Two:* "Associated Applications" are submitted when applicants plan and organize a single Continuum of Care

strategy which is adopted by project sponsors or operators who choose to submit separate applications for projects while including the identical Continuum of Care strategy. In this case, project funding would go to each successful applicant individually and each would be responsible to HUD for administering its separate grant.

*Three:* A "Solo Application" is submitted when an applicant applies for a project exclusive of participation in any community-wide or region-wide Continuum of Care development process.

Options one and two are not substantively different and will be considered equally competitive. Applicants are advised that projects that are not a part of a Continuum of Care strategy will receive few, if any, points under the Continuum of Care rating factors.

#### **VII. Corrections to Deficient Applications**

The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications (See Section V of the **General Section**).

#### **VIII. Environmental and Local Resident Employment Requirements**

(A) *Environmental Requirements.* All Continuum of Care assistance is subject

to the National Environmental Policy Act of 1969 and related Federal environmental authorities. No Federal or non-Federal funds or assistance that limits reasonable choices or could produce a significant adverse environmental impact may be committed to a project until all required environmental reviews and notifications have been completed. Conditional selection of projects under the Continuum of Care Program is subject to the environmental review requirements under 24 CFR 582.230, 583.230, and 882.804(c), as applicable.

(B) *Local Resident Employment.* To the extent that any housing assistance (including rental assistance) funded through this program section of the SuperNOFA is used for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement) or housing construction, then it is subject to section 3 of the Housing and Urban Rehabilitation Act of 1968, and the implementing regulations at 24 CFR part 135. Section 3, as amended, requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be given to low- and very low-

income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

#### **IX. Authority**

The Supportive Housing Program is authorized by title IV, subtitle C, of the Stewart B. McKinney Homeless Assistance Act (McKinney Act), 42 U.S.C. 11381. Funds made available under this program section of the SuperNOFA for the Supportive Housing Program are subject to the program regulations at 24 CFR part 583.

The Shelter Plus Care program is authorized by title IV, subtitle F, of the McKinney Act, 42 U.S.C. 11403. Funds made available under this program section of the SuperNOFA for the Shelter Plus Care program are subject to the program regulations at 24 CFR part 582.

The Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals (SRO) is authorized by section 441 of the McKinney Act, 42 U.S.C. 11401. Funds made available under this NOFA for the SRO program are subject to the program regulations at 24 CFR part 882, subpart H.

BILLING CODE 4210-32-P

**APPENDIX A**  
**CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS**

<b>ELEMENT</b>	<b>SUPPORTIVE HOUSING</b>	<b>SHELTER PLUS CARE</b>	<b>SECTION 8 SRO</b>
<b>AUTHORIZING LEGISLATION</b>	Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act	Subtitle F of Title IV of the Stewart B. McKinney Homeless Assistance Act	Section 441 of the Stewart B. McKinney Homeless Assistance Act
<b>IMPLEMENTING REGULATIONS</b>	24 CFR part 583	24 CFR part 582	24 CFR part 882
<b>ELIGIBLE APPLICANT(S)</b>	<ul style="list-style-type: none"> <li>● States</li> <li>● Units of general local government</li> <li>● Special purpose units of government such as public housing agencies (PHAs)</li> <li>● Private nonprofit organizations</li> <li>● CMHCs that are public nonprofit organizations</li> </ul>	<ul style="list-style-type: none"> <li>● States</li> <li>● Units of general local government</li> <li>● PHAs</li> </ul>	<ul style="list-style-type: none"> <li>● PHAs</li> <li>● Private nonprofit organizations</li> </ul>
<b>ELIGIBLE COMPONENTS</b>	<ul style="list-style-type: none"> <li>● Transitional housing</li> <li>● Permanent housing for disabled persons only</li> <li>● Supportive services not in conjunction with supportive housing</li> <li>● Safe Havens</li> <li>● Innovative supportive housing</li> </ul>	<ul style="list-style-type: none"> <li>● Tenant-based</li> <li>● Sponsor-based</li> <li>● Project-based</li> <li>● SRO-based</li> </ul>	<ul style="list-style-type: none"> <li>● SRO housing</li> </ul>
<b>ELIGIBLE ACTIVITIES</b>  See footnotes 1, 2, and 3	<ul style="list-style-type: none"> <li>● Acquisition</li> <li>● Rehabilitation</li> <li>● New construction</li> <li>● Leasing</li> <li>● Operating costs</li> <li>● Supportive services</li> </ul>	<ul style="list-style-type: none"> <li>● Rental assistance</li> </ul>	<ul style="list-style-type: none"> <li>● Rental Assistance</li> </ul>

ELEMENT	SUPPORTIVE HOUSING	SHELTER PLUS CARE	SECTION 8 SRO
<b>ELIGIBLE POPULATIONS</b>  See footnote 2	<ul style="list-style-type: none"> <li>• Homeless persons</li> </ul>	<ul style="list-style-type: none"> <li>• Homeless disabled individuals</li> <li>• Homeless disabled individuals and their families</li> </ul>	<ul style="list-style-type: none"> <li>• Homeless individuals</li> <li>• Section 8 eligible current occupants</li> </ul>
<b>POPULATIONS GIVEN SPECIAL CONSIDERATION</b>	<ul style="list-style-type: none"> <li>• Homeless persons with disabilities</li> <li>• Homeless families with children</li> </ul>	Homeless persons who: <ul style="list-style-type: none"> <li>• are seriously mentally ill</li> <li>• have chronic problems with alcohol and/or drugs</li> <li>• have AIDS and related diseases</li> </ul>	N/A
<b>INITIAL TERM OF ASSISTANCE</b>	3 years	5 years: TRA, SRA, and PRA if no rehab 10 years: SRO and PRA with rehab	10 years
<b>MATCH</b>	<ul style="list-style-type: none"> <li>• For acquisition, rehabilitation and new construction, cash at \$1:\$1 (SHP);</li> <li>• For supportive services, cash at \$1:\$4 (SHP);</li> <li>• For operating costs, cash at \$1:\$3 (SHP)</li> </ul>	Rental assistance matched in the aggregate with supportive services	N/A

Footnote 1: Homeless prevention activities are statutorily ineligible under these programs.

Footnote 2: Persons at risk of homelessness are statutorily ineligible for assistance under these programs.

Footnote 3: Acquisition, construction, rehabilitation, leasing, and operating costs for emergency shelters are statutorily ineligible

## APPENDIX B

The non-standard forms, which follow, are required for your Continuum of Care Homeless Assistance application.



## 2000 Application Summary

This is the first page of your application. Remove this page and place it in the front of your application.

Continuum of Care Name: \_\_\_\_\_

Continuum of Care Contact Person: \_\_\_\_\_

Address : \_\_\_\_\_

Phone Number: \_\_\_\_\_

### Continuum of Care Geography

Using the Geographic Area Guide, list the name and the six-digit geographic code number for *each* city and/or county participating in your Continuum of Care. Because the geography covered by your system will affect your Need score, it is important to be accurate. The information contained on this page must be cross-referenced and must match the information you provide in Exhibit 1: Continuum of Care of the application. Before completing, please read the NOFA guidance and page 4 of this application regarding geographically overlapping Continuum of Care systems.

Geographic Area Name	6-digit Code
example: Dayton	391362
example: Kettering	392526
example: Montgomery Co.	399113

Geographic Area Name	6-digit Code

Reproduce this page to include additional names and codes.

## Continuum of Care: Gaps Analysis

		Estimated Need	Current Inventory	Unmet need/ Gap	Relative Priority
<b>Individuals</b>					
<b>Example</b>	<b>Emergency Shelter</b>	<b>115</b>	<b>89</b>	<b>26</b>	<b>M</b>
<b>Beds/Units</b>	Emergency Shelter				
	Transitional Housing				
	Permanent Supportive Housing				
	Total				
<b>Supportive Services Slots</b>	Job Training				
	Case Management				
	Substance Abuse Treatment				
	Mental Health Care				
	Housing Placement				
	Life Skills Training				
	Other				
	Other				
<b>Sub- populations</b>	Chronic Substance Abusers				
	Seriously Mentally Ill				
	Dually-Diagnosed				
	Veterans				
	Persons with HIV/AIDS				
	Victims of Domestic Violence				
	Youth				
	Other				
<b>Persons in Families With Children</b>					
<b>Beds/Units</b>	Emergency Shelter				
	Transitional Housing				
	Permanent Supportive Housing				
	Total				
<b>Supportive Services Slots</b>	Job Training				
	Case Management				
	Child Care				
	Substance Abuse Treatment				
	Mental Health Care				
	Housing Placement				
	Life Skills Training				
	Other				
	Other				
<b>Sub- populations</b>	Chronic Substance Abusers				
	Seriously Mentally Ill				
	Dually-Diagnosed				
	Veterans				
	Persons with HIV/AIDS				
	Victims of Domestic Violence				
	Other				

**Continuum of Care: Project Priorities***(This entire chart will only count as one page towards the 25 page limitation)*

Applicant	Project Sponsor/ Project Name	Numeric Priority	Requested Project Amount	Program (Check only one)				
				SHP new	SHP renew	S+C new	S+C renew	SRO new
Example: ABC Nonprofit	ABC Nonprofit/ Sarah's House	1	\$1,026,000	X				
Example: XYZ County	AJAY Nonprofit/ BeeJee's Place	2	\$500,000	X				
		1						
		2						
		3						
		4						
		5						
		6						
		7						
		8						
		9						
		10						
		11						
		12						
		13						
		14						
		15						
Total Requested Amount:								

(Complete only one chart for the entire Continuum of Care and insert in Exhibit I. ***This entire chart will only count as one page towards the 25 page limitation***)

*\*Please enter the value of the contribution for which you have a written commitment at application submission.*

TOTAL

**DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

---

**HOUSING OPPORTUNITIES FOR  
PERSONS WITH AIDS (HOPWA)  
PROGRAM**



## FUNDING AVAILABILITY FOR THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) PROGRAM

### Program Overview

**Purpose of the Program.** To provide States and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing and related supportive service needs of persons with HIV/AIDS and their families.

**Available funds.** Approximately \$23,026,000 (and under a related part of this SuperNOFA, up to \$1,740,000 for technical assistance for the HOPWA program).

**Eligible Applicants.** (1) States, units of general local government, and nonprofit organizations for grants for Special Projects of National Significance (SPNS) grants.

(2) States and units of general local government may apply for projects under the Long-Term category of grants, if activities will serve areas that were not eligible for HOPWA formula allocations in Fiscal Year 2000. Appendix A in this program section of the SuperNOFA identifies the formula areas.

**Application Deadline.** May 23, 2000.  
**Match.** None.

### Additional Information

If you are interested in applying for funding under this program, please review carefully the **General Section** of this SuperNOFA and the following additional information.

#### I. Application Due Date, Application Kits, Further Information, and Technical Assistance

**Application Due Date.** You must submit applications on or before 12:00 midnight, Eastern time, on May 23, 2000, at HUD Headquarters.

See the **General Section** of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

**Address for Submitting Applications.** Your completed application consists of an original signed application and two copies. Submit the original application to: Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7251, Washington, DC 20410. The original application submitted to HUD headquarters is considered the official application.

Submit the two (2) copies of your application to the area CPD Field Office or Offices that serve the area in which activities are proposed. For multi-state

efforts you must submit two copies of your application to the Field Office that serves your main office. The list of addresses for area CPD Field Offices is provided as Appendix B of this program section of this SuperNOFA. If you propose nationwide activities, you must send all copies to the HUD headquarters office. When submitting your applications, please refer to HOPWA, and include your name, mailing address (including zip code), facsimile and telephone number (including area code).

**For Application Kits.** Although you may begin working on your application with the materials provided in this program section of the SuperNOFA and its appendixes, for an application kit, please call the SuperNOFA Information Center at 1-800-HUD-8929 (1-800-483-8929). Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209 (1-800-483-2209). The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>.

**For Further Information and Technical Assistance.** You may call the HUD Field Office serving your area, at the telephone number shown in the application kit for this program, or you may contact the Community Connections Information Center at 1-800-998-9999 (voice) or 1-800-483-2209 (TTY) or by Internet at: <http://www.comcon.org/ccprog.html>.

**Satellite Broadcast.** HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

#### II. Amount Allocated

Approximately \$23,026,000 is being made available for funding under this program section of the SuperNOFA. Additional funds may be awarded if funds are recaptured, deobligated, appropriated or otherwise made available during the fiscal year.

(A) **Maximum Grant Amounts.** The maximum amount that you may receive is \$1,200,000 for program activities (e.g., activities that directly benefit low-income persons living with HIV/AIDS and their families). You may also add-on up to 3 percent of this program activities amount for grantee administrative costs and, if your program involves project sponsors, add-on up to 7 percent for their administrative costs. In addition, up to \$50,000 may be requested to collect data on project outcomes. HUD reserves the right to reduce the amount requested for

data collection on project outcomes in relation to the amount requested for program activities.

(B) **Award Modifications.** See the **General Section** of this SuperNOFA for information with regard to adjustments to funding. HUD also reserves the right to ensure that activities funded under the FY 2000 Continuum of Care will not duplicate activities funded under this competition.

#### III. Program Description; Eligible Applicants; Eligible Activities

(A) **Program Description.** Funds under this program are to be used to support the Department's national goal of increasing the availability of decent, safe, and affordable housing in American communities. The statutory purpose of the HOPWA program is "for meeting the housing needs of persons" with HIV/AIDS and their families and planned activities must address this purpose. HOPWA funds projects to provide housing and related supportive services for low-income persons with HIV/AIDS and their families under two categories of assistance:

(1) Grants for Special Projects of National Significance (SPNS) that, due to their innovative nature or their potential for replication, are likely to serve as effective models in addressing the housing and related supportive service needs of low-income persons living with HIV/AIDS and their families. Under this program section of the SuperNOFA, HUD will set-aside up to 40% of the funds allocated to SPNS to projects targeting underserved populations as defined in Section (D); and

(2) Grants for projects that are part of Long-Term Comprehensive Strategies (Long-Term) which provide housing and related supportive services for low-income persons living with HIV/AIDS and their families in areas that are not eligible for HOPWA FY 2000 formula allocations found in Appendix A of this program section of this SuperNOFA.

(B) **Eligible Applicants and Project Sponsors.** (1) States, units of general local government, and nonprofit organizations may apply for grants for Special Projects of National Significance;

(2) States and units of general local government may apply for grants for projects under the Long-Term category of grants, if proposed activities will serve areas that were not eligible to receive HOPWA formula allocations in Fiscal Year 2000. A list of the formula areas and a list of the areas not eligible to receive HOPWA Formula funds, can be found in Appendix A of this program section of this SuperNOFA. Nonprofit

organizations are not eligible to apply directly for the Long-Term grants but may serve as a project sponsor for an eligible State or local government grantee. You must identify your project sponsors in your application.

(3) Nonprofit organizations must have appropriate credentials, in accordance with HOPWA regulations at 24 CFR 574.3. If you are a nonprofit organization, to be an eligible applicant or project sponsor, you must either:

- Have, by the application due date, an IRS ruling that grants you tax exempt status under section 501(c)(3) of the Internal Revenue Code; or
- Provide documentation that shows that your organization satisfies the criteria in the statutory definition of nonprofit organization in 42 USC 12902(13)

The statutory definition reads:

The term "nonprofit organization" means any nonprofit organization (including a State or locally chartered, nonprofit organization) that—(i) is organized under State or local laws; (ii) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; (iii) complies with standards of financial accountability acceptable to the Secretary; and (iv) has among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome or related diseases.

HUD interprets the use of the term "related diseases" in this definition to include HIV infection.

Adequate documentation of nonprofit status includes the following:

(a) In lieu of an IRS exemption for nonprofits in Puerto Rico, a ruling from the Treasury Department of the Commonwealth of Puerto Rico granting income tax exemption under section 101 of the Income Tax Act of 1954, as amended (13 LPRA 3101);

(b) In lieu of documentation under section 501(c)(3), documentation of an IRS ruling of tax exempt status under section 501(c)(4), (6), (7), (9), or (19);

(c) Documentation of satisfying the statutory criteria by submitting the following four items:

(i) Certification by an appropriate official of the jurisdiction under whose laws the nonprofit organization was organized that your organization was so organized and is in good standing;

(ii) Documentation that your organization is a certified United Way member agency or other documentation that shows that no inurement of benefits to the managers of your organization occurs;

(iii) Documentation from a CPA or Public Accountant that your

organization has a functioning accounting system that is operated in accordance with generally acceptable accounting principles or that a qualifying entity is designated for that activity, or the United Way member agency certification noted in item (ii); and

(iv) A certified copy of your nonprofit organization's articles of incorporation, by-laws, statement of purposes, board of director's resolution or a similar document that includes a provision demonstrating its purpose regarding significant activities for persons living with HIV/AIDS.

If your organization does not provide the requested documentation, you are not eligible to receive funds and serve as the grantee or as a project sponsor. However, you may collaborate with eligible nonprofit organizations or with a government agency that applies for the grant and assist them, for example, in planning for the proposed activities, identifying needs in your community and identifying clients who will be assisted. In addition, you may do work under contract with a grantee for services funded by this grant.

(C) *Eligible Activities.* (1) The following eligible activities are subject to standards and limitations found in 24 CFR part 574.

(a) Housing information services (including fair housing counseling).

(b) Project-based or tenant-based rental assistance.

(c) New construction of a community residence or SRO dwelling.

(d) Acquisition, rehabilitation, conversion, lease or repair of facilities to provide housing and services.

(e) Operating costs for housing.

(f) Short-term rent, mortgage and utility payments to prevent homelessness.

(g) Supportive services. Many of the clients who will be served by the HUD program covered by this NOFA may need services in addition to housing. It is important that you design programs which enhance access to those needed services, including access to health-care, AIDS drug assistance, and other services funded through the Ryan White CARE Act or other Federal, State, local or private funds. While HUD recognizes that there are many ways to ensure that clients receive the services they need, to the extent possible, the Department encourages you to develop housing programs which do not require participation in services as a part of your or your project sponsor's tenancy requirements.

(h) Administrative expenses (see limits for grantees and sponsors).

(i) Resource identification to establish, coordinate and develop housing assistance resources and technical assistance in establishing and operating a community residence. HUD will not select under this notice an application that is primarily directed at providing these activities, since national HOPWA technical assistance funds are being made available under the Community Development Technical Assistance (CDTA) part of this notice for this purpose. You may propose a resource identification or technical assistance component in your application, if the amount of funds designated for these activities are less than 20 percent of the proposed program activity costs; and

(j) As authorized by the statute, you may propose other activities in your application, if approved by HUD, including data collection on project outcomes, as described below in paragraph (2). HUD will not approve proposals that depend on future decisions on how funds are to be used, for example, a proposal to establish a local request-for-proposal process to select activities or project sponsors. You must identify your project sponsors at the time of the application.

(2) You may request up to \$50,000 to collect information and report to HUD, or a third party designated by HUD, on project outcomes. If you requested these funds, you must propose data collection activities in your application. The persons who will conduct these activities may include an expert third-party. Project outcome activities include:

(a) Defining monitoring questions that will be addressed and examined during the project period;

(b) Specifying outcome measures;

(c) Developing instruments to assess project outcomes and systems outcomes;

(d) Training project staff in the collection of data;

(e) Monitoring data collection activities to assure that submissions are complete and accurate, including data coding and entry;

(f) Summarizing data collected; and

(g) Preparing reports summarizing findings, including the standard HOPWA Annual Progress Report.

(D) *Targeting Resources to Underserved Populations.* The Department has been advised by persons living with HIV/AIDS, HIV/AIDS housing providers, and national organizations, of the continuing disparity in accessing health-care and HIV/AIDS treatment among underserved populations, such as, racial and ethnic minority populations, women, and persons living in rural areas. In an effort



to meet this continuing need and diversify the number and type of organizations that have traditionally received HOPWA funding, the Department is encouraging collaborations among community-based organizations for providing housing assistance and/or technical assistance to better serve underserved populations on a national, regional, or local level.

Collaborations pair organizations that are experienced in developing or operating housing facilities and housing assistance programs with community-based organizations that provide services or use culturally-sensitive efforts to reach persons in underserved communities, but may have little or no experience in meeting the housing needs of persons living with HIV/AIDS. This team approach is expected to: (1) strengthen the organization—improve capacity to develop, operate, manage, and evaluate housing assistance programs for persons living with HIV/AIDS; (2) serve underserved populations—help reach underserved populations in areas that lack housing and health care infrastructure; and (3) Increase Planning—develop holistic community approaches to better coordinate housing and related services in communities impacted by HIV and AIDS. Note: All assistance provided to targeted underserved communities must be in accordance with the requirements of the Fair Housing Act. In order to support these collaborations and to encourage new collaborations to receive HOPWA funding, up to 40% of the funds targeted toward SPNS applications will be awarded to applications with these collaborations to serve underserved populations.

To be considered as a collaboration, in your application you must:

- Identify and evidence the experience of all collaborating organizations as detailed under Rating Factor 1 of this program section of the SuperNOFA in the Capacity of the Applicant and Project Sponsors and Relevant Organizational Experience section of your application;
- Identify the underserved population and evidence in the Description of Unmet Need section of your application as detailed under Rating Factor 2 that substantial housing and related service needs of the identified underserved population living with HIV/AIDS and their families are not being met in the area. For the purposes of this program NOFA, the Department has defined underserved populations as low-income populations living with HIV/AIDS and their families, such as racial or ethnic minority groups, women, persons living in rural areas, or other underserved

groups as determined by your service area, whose housing and related service needs are not currently being met in the service area. To meet the program definition of underserved group, you must show the unmet need in the provision of housing and related supportive services for the identified underserved population in your service area by presenting reliable statistics and data sources (i.e. Census, health department statistics, research, scientific studies, and Needs Analysis of Consolidated Plan and/or Continuum of Care documentation). HUD will consider your presentation of statistics and data sources based on soundness and reliability and the specificity of information to the underserved population and the area to be served; and

- Evidence the method, by which your plans will, as defined above, strengthen the organization, serve underserved populations, increase planning, and support fair housing in the Soundness of Approach section of your application as detailed under Rating Factor 3 of this program section of the SuperNOFA.

If HUD determines that the application fails to meet the above considerations, the application will not be considered for funding under the 40 percent of SPNS funds allocated for collaborative projects targeting underserved populations. HUD will consider the application under the remaining SPNS category.

#### IV. Program Requirements

(A) *Performance Measures and Project Goals and Objectives.* You must use HUD's required performance measures that will show your accomplishments in using HOPWA funds to expand the housing options that benefit low-income persons with HIV/AIDS and their families. You may also establish individual goals and objectives for your proposal. They should be specific, achievable and measured within set time periods. Your individual goals and objectives should result in possible findings on the successes and lessons learned in undertaking your activities that would be shared with other communities. In designing your proposal, please use the following:

- (1) Required HOPWA national performance goal. Your proposed activities must:

Increase the amount of housing assistance and related supportive services to low-income persons living with HIV/AIDS and their families to enable them to achieve housing stability and access to health-care and related supportive services.

(2) Measure your performance. After each year of operation, you must report on the number of short-term and permanent housing units that were provided with HOPWA funding, and number of additional persons served with related supportive services. HUD will measure your progress and achievements in evaluating your performance on your HOPWA grant. Examples of reporting performance measures are:

(a) In your community over the last year, a transitional housing facility providing 5 units of housing was operated with HOPWA funds. Residents also received drug and/or alcohol abuse treatment and counseling by qualified staff. During that year, ten persons resided in the facility and benefited from the intense on-site assistance, which also included helping them develop and follow a plan to find permanent housing and continue treatment after leaving the facility, including monthly phone contacts or visits by staff; and

(b) Over the last 12 months, a nonprofit organization distributed tenant-based rental assistance vouchers to 15 households within your three-county metropolitan area. The vouchers provided for on-going housing assistance (up to three years) and the program advised the clients on tenant-landlord issues and arranged for housing quality standard inspections of the apartments selected. A case manager who is funded under the Ryan White CARE Act program, advised the tenants and helped them access health-care and other services from providers in this community. During this year, 22 persons received permanent housing assistance with HOPWA funds and for three of these families who were unable to find housing within 30 days, additional efforts were made and an appropriate apartment was located and used.

(B) *Performance Benchmarks.* Funds received under this competition are expected to be expended within 3 years following the effective date of a grant agreement. You will be expected to meet the following performance benchmarks:

(1) If you acquire or lease a site, you are required to gain site control within one year of your selection (i.e., one year from the date of the signing of your selection letter by HUD);

(2) If you propose to use HOPWA funds to undertake rehabilitation or new construction activities, you are required to begin the rehabilitation or construction within 18 months of your selection and to complete that activity within 3 years from the date of your selection letter by HUD; and

(3) You are requested to provide an initial report to the Field Office and the Headquarters on the startup of the planned activities within six months of your selection. Please outline any accomplishments in implementing the funds along with identifying any barriers or issues for which the Department may provide assistance.

Except as noted in paragraph (2) for rehabilitation or construction activities, you must begin to operate your program within one year from your selection. If a selected project does not meet the appropriate performance benchmark, HUD reserves the right to cancel or withdraw the grant funds.

(C) *Descriptive Budget.* You must provide a description of each of your requested budget items and how the funds will be used, including each amount of requested funding for you and your project sponsors, and a description of how each line item will relate to eligible HOPWA activities as defined in Section III(C), of this program section of the SuperNOFA. You are expected to match requested funds to specific goals and objectives in your project. See Appendix C of this program section of the SuperNOFA.

(D) *Availability of FY 2000 Formula Allocations.* You are also encouraged to consider seeking funds for your proposed activities under the formula component of the HOPWA program and from other resources that are made available in communities. Ninety (90) percent of the HOPWA program is allocated by formula and recipient States and cities are required to consult with the public on designing the use of these funds. In FY 2000, a total of \$207.234 million was allocated by formula to the qualifying cities for 67 eligible metropolitan statistical areas (EMSAs) and to 34 eligible States for areas outside of EMSAs. All HOPWA formula grants are available as part of the jurisdiction's Consolidated Plan, which also includes the Community Development Block Grant, HOME Investment Partnerships program, and Emergency Shelter Grants. Plans are developed through a public process that assesses area needs, creates a multiple-year strategy and proposes an action plan for use of Federal funds and other community resources in a coordinated and comprehensive manner. Information on consolidated planning, including HOPWA formula programs and descriptions of previously awarded competitive grants, is available on the HUD HOME Page at [www.hud.gov](http://www.hud.gov).

(E) *Availability of National HOPWA Technical Assistance.* If you are interested in providing technical assistance activities with HOPWA

funds, submit an application for funds under the Community Development Technical Assistance (CDTA) part of this notice, which is published elsewhere in this SuperNOFA. The CDTA notice provides up to \$1,740,000 in HOPWA funds to organizations for technical assistance support on a national or regional basis.

## V. Application Selection Process

(A) *HOPWA Application Reviews.* HUD will review your HOPWA application to ensure that:

(1) Your application meets the threshold requirements found in the **General Section** of the SuperNOFA;

(2) A Certification of Consistency with Consolidated Plans is provided as Appendix C to this program section of the SuperNOFA. Under the HOPWA program, proposed activities that are located in a jurisdiction are required to be consistent with the jurisdiction's current, approved Consolidated Plan, including the Analysis of Impediments to Fair Housing choice and the Action Plan to address these impediments, except that this certification is not required for projects that propose to undertake activities on a national basis; and

(3) You are currently in compliance with the Federal requirements contained in 24 CFR part 574, subpart G, "Other Federal Requirements."

(B) *The HOPWA Competition.* This national competition will involve the review, rating, and selection of HOPWA applications under each of the two categories of assistance Special Projects of National Significance (SPNS) and Long-Term Comprehensive Strategies (Long-Term) in areas that do not qualify for HOPWA formula allocations.

(C) *Procedures for the Rating of Applications.* HUD will rate all HOPWA applications based on the criteria listed below.

(D) *Factors For Award Used to Evaluate and Rate Applications.* The factors for rating and ranking your application, and the maximum points for each factor, are provided below. The points awarded for the factors total 100. In addition, bonus points for projects in EZ/EC areas and by the City of Dallas may be available under Section III(C)(2) of the **General Section** of this SuperNOFA apply to this competition. After rating, all applications will be placed in the rank order of their final score for selection within the appropriate category of assistance.

## Rating Factor 1: Capacity of the Applicant and Project Sponsors and Relevant Organizational Experience (20 Points)

Please address the following factor on not more than five (5) double-spaced, typed pages. This factor addresses the extent to which you and any project sponsor has the organizational resources necessary to successfully implement your proposed activities in a timely manner. If you will be using project sponsor(s) in your project, you must identify each project sponsor in your application. HUD will award up to 20 points based on your and any project sponsor's ability to develop and operate your proposed program, such as housing development, management of housing facilities or units, and service delivery, in relation to which entity is carrying out an activity.

(1) With regard to both you and any project sponsor(s), HUD will consider:

(a) Past experience and knowledge in serving persons with HIV/AIDS and their families;

(b) Past experience and knowledge in programs similar to those proposed in your application;

(c) Experience and knowledge in monitoring and evaluating program performance and disseminating information on project outcomes; and

(d) Past experience as measured by expenditures and measurable progress in achieving the purpose for which funds were provided.

(2) In reviewing the elements of paragraph (1), HUD will consider the extent to which your proposal demonstrates:

(a) The knowledge and experience of the proposed project director and staff, including the day-to-day program manager, consultants and contractors in planning and managing the kind of activities for which you are requesting funds. You and any project sponsor will be judged in terms of recent, relevant and successful experience of staff to undertake eligible program activities, including experience and knowledge in serving persons with HIV/AIDS and their families.

(b) Your and/or the sponsor's experience in managing complex interdisciplinary programs, especially those involving housing and community development programs directly relevant to the work activities proposed and carrying out grant management responsibilities.

(c) If you and/or the sponsor received funding in previous years in the program area for which you are currently seeking funding, you and your sponsor's past experience will be